SENATE—*Friday, July 16, 1993*

(Legislative day of Wednesday, June 30, 1993)

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

PRAYER

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

Let us pray:

Children, obey your parents in the Lord for this is right. Honour thy father and mother; which is the first commandment with promise; That it may be well with thee and thou mayest live long on the Earth. And, ye fathers, provoke not your children to wrath: but bring them up in the nurture and admonition of the Lord.—Ephesians 6:1–4

God our Father, it is generally agreed that the home and the family are the key to social order, and that the dysfunctional family is the basic cause of family decline in America. We pray for our families—not only the families of Members of Congress, but those of all who labor on Capitol Hill. Forgive us for allowing so many things to preempt the time and interest we should give to our families. Forgive children who do not honor their parents. Forgive parents who frustrate their children. Help us to take parenting seriously and do all in our power to strengthen the relationship between husbands and wives. Inspire the leaders of our Nation to demonstrate leadership in their families and to be an example to the people.

May this weekend be a time of healing, strengthening, and renewal as needed.

In the name of Him who was Love incarnate. Amen.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business with Senators permitted to speak therein for not to exceed 5 minutes each.

The first 80 minutes shall be under the control of the Senator from South Dakota [Mr. DASCHLE] or his designee.

The Senator from South Dakota is recognized.

Mr. DASCHLE. Mr. President, I would yield such time as he may consume to the distinguished Senator from Nevada.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

THE TRUTH ABOUT THE BUDGET

Mr. REID. Mr. President, the current debate over the President's budget has become a fitting occasion to talk about Martin Luther, because Martin Luther once said, "Superstition, idolatry and hypocrisy have ample wages, but truth goes a begging."

I bring this to the Senate's attention, Mr. President, because the latest barrage from groups like Citizens for a Sound Economy seems to have ample wages, and that is an understatement, while the truth that they are emitting is lacking in its entirety.

They have ample wages, but the truth about the budget package just passed by the Senate and the House, now in conference, goes a begging.

You see, Mr. President, there is an effort of misinformation, a program of misinformation, an attempt to spread falsehoods about the President's budget all over this country by groups like Citizens for a Sound Economy which portended to be nonpartisan, grassroots lobby groups out in the States protecting the average citizen. But, Mr. President, the truth must be known that the Citizens for a Sound Economy and other such groups are financed by special interest groups and most have been tied to the Republican National Committee.

I would like to point out to the Senate some of the things that the Citizens for a Sound Economy are up to today.

Even before the vote took place, a barrage of press releases was issued. They could not keep the States straight though. In the State of Nevada, as an example, they issued a press release about Senator HARRY REID, the Senator from Louisiana. That has not stopped them, though. They got the State right and they continue to run these ads in Nevada and other such places.

They are running, the Citizens for a Sound Economy—listen to that name, Citizens for a Sound Economy—they are running full-page ads all over our Nation with misinformation about the President's budget package. They are attempting to organize protest rallies with Republican politicians denouncing the proposed tax increases in the budget plan.

I would suggest to my friends across the aisle that if they want to criticize the President's budget package, let them do it on their own terms. They should not, I suggest, side with a group like Citizens for a Sound Economy, which some have done to this point.

Citizens for a Sound Economy has sent out over 10,000 information packets and attempted to organize phone banks, volunteer phone banks that they pay for, to arouse opposition to the plan.

Now, Mr. President, the first question comes, this is a free country, so what? Well, the "so what" is that they are not telling the truth, and I have an obligation, as do other Members of this body, to attempt to give the truth to the American people.

I was in my State last week, as were other Members of this body in their respective States, and I, Mr. President, was appalled at the amount of fiction that this group especially has spread about not only my vote on the budget reconciliation package, but on the package itself.

Who is this so-called nonpartisan, grassroots group that calls itself Citizens for a Sound Economy?

I would like to point out a few facts about this group. This group has as its top officials a family by the name of Koch. Koch family members are known for their ultra—and I stress ultra—rightwing conservatism. And I think even this statement gives conservatism a bad name, which it really does not deserve. They are extreme rightists. I am sorry I mentioned the word conservative.

These officers and directors include Ron Paul of Texas, a former Libertarian candidate for the Senate and for President; William Vandersteel, a former Libertarian Senate candidate from New Jersey. Other directors of this group are the Koch employees and lobbyists, including founder Richard Fink and former CSE president, which, remember, stands for Citizens for a Sound Economy, and current Citizens for Congressional Reform President Wayne Gable. Keep in mind both of these men are employees of Koch Industries and are registered lobbyists for that company.

David Koch is an example of someone who ran for the office of President on the Libertarian ticket. He personally gave over $1 million to his own campaign in that election. I think the people who are looking at these ads that are false and malicious from Citizens for a Sound Economy should know

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

what David Koch stands for. I think it is fair to say that his platform was extremist.

Why do I say that? Because his platform included legalizing drugs, even for children; legalizing prostitution, even for children; ending all forms of public education by prohibiting government ownership, operation, and regulation, or subsidies for schools and colleges.

This is only part of the Citizens for a Sound Economy program. Repealing all compulsory education laws for children; repealing child labor laws and minimum wage laws. Maybe that would help Koch Industries. They could get cheaper labor.

Abolishing Social Security, Medicare, and Medicaid. Let us try that one on as a part of the Citizens for a Sound Economy proposals.

Repealing licensing requirements for doctors; repealing all banking regulation; repealing all taxation; abolishing the FBI; recognizing the right to political secession. We fought that war once. Legalizing discrimination in employment, housing, and public accommodation. Allowing members of the Armed Forces to quit their jobs at will. Privatizing all public roads and highways. Repealing all building codes and zoning laws.

That, Mr. President, is the beginning of Citizens for a Sound Economy.

David and Charles Koch own and operate Koch Industries, which a couple of years ago was rated by Forbes magazine as the second most wealthy privately held company in the United States. They have money to throw around as indicated by what they have done in Nevada, full-page ads. Great bunch of citizens—legalizing child prostitution.

This company we are told by Forbes has holdings in such things as energy—the most wealthy privately owned oil company in America—real estate, manufacturing. They do not want the Federal Government, they do not want the State government, they do not want the city government, they do not want the county government, they do not want government.

Then we find that one of the members is James Miller. Who is James Miller? James Miller was the Director of the Office of Management and Budget during part of the Reagan administration. He is one of the wonders that got us into this mess in the first place, a debt of over $4 trillion, and now he is part of this Citizens for a Sound Economy, who had a person by the name of David Koch who spread all of the information I have just talked about.

I do not know what more could be done to show that I think those people in Nevada and other places that are listening to CSE better take a second look at this group, because they are for anything but a sound economy. All they want is to be left alone so that they can make all the money in the world and not be at all asked by government to contribute anything.

Another group spending a tremendous amount of money in the State of Nevada, and I assume around the rest of the country, to blast the budget package is the American Energy Alliance. I never heard of this group until I saw their full-page ad running in newspapers in Nevada saying Nevadans should contact their congressional delegation and vote against the Btu tax.

Who is the American Energy Alliance? The Washington Times, a newspaper that in the times that I have looked at it I have never seen much of a leftwing bent to it, this Washington Times article says that the American Energy Alliance is a coalition of 1,400 special interest groups, trade organizations. They discovered there was a lot of coordination between the American Energy Alliance and the Republican National Committee.

Mr. President, it is not my intention to slam the individual members of this organization, the American Energy Alliance, but to point out to the American people and the people in the State of Nevada what it is. It is a group of special interests who do not want to tax fuel based upon how much it pollutes. They would rather have the tax on gas.

Personally, Mr. President, I think that the Btu tax was a fine idea even though some of my colleagues might disagree. If we have to have a tax, I think it should be based on how it can help clean the environment with less fossil fuel pollution.

But separate and apart from that, I do not want to slam these special interest groups, other than to say that this group, the American Energy Alliance, is made up of special interest groups and everyone should understand that. These groups are not the angels of mercy that they pretend to be.

Yesterday I got a call from my Las Vegas office. They were concerned because senior citizens were calling saying that they had been informed that their Social Security was going to be taxed if they made over $22,000 a year, and their taxes were going to go up significantly as a result of the President's economic plan. This simply is not true.

I have not been able to find who is doing this. But I am sure if we could sift through the sand, we would find a group similar to the American Energy Alliance and the Citizens for a Sound Economy because the information they are putting out is simply not true. They want to cloud the issues. They want to make this budget deficit reduction package be one that attacks seniors. They want it to be one that does not in any way point out the fact that this deficit reduction is the largest deficit reduction in the history of this country. It is the first honest response to the deficit that I have seen since I have come to Washington, going on 11 years ago.

The fact is that when people start picking senior citizens, trying to use them by spreading falsehoods that their checks are suddenly in jeopardy, that is wrong, it is immoral, and we should not allow that to happen.

Those that oppose the President's deficit reduction package should be called to task to offer something in response. This was done during the debate. It took several days, both in this body and the other body, saying if you do not like what has been presented, come up with something else. That rang very strong in my ears because when I came to Washington we had a Republican President. I did not agree with everything that President Reagan did. I agree with some things he did. And when I agreed, I voted with him. I was a key vote for President Reagan in a number of issues that he had before the other body and this body.

We did not get a single Republican vote for the President's budget reduction package. I think that is wrong because but for Democrats, President Reagan's initiatives that he thought would help the country, which in hindsight have not allowed him to see if his programs would work.

We deserve as much. President Clinton deserves as much. But not a single Republican would support this new President.

I think that is too bad. The worst part is not only have they not supported President Clinton, Vice President GORE, and I think the country, but they have not offered an alternative.

This is not HARRY REID, a Senator from Nevada talking. Let us go again to a newspaper that is deemed to be one not representing the interests of the Democrats Party for sure. That is the Wall Street Journal. The Wall Street Journal said yesterday among other things "In drafting alternatives to President Clinton's deficit reduction program, congressional Republicans left out not only taxes but something Americans have very much wanted lately, change."

Americans want change. This budget deficit reduction plan that is now in conference does that. It changes the way we act here and will change things in this country. "It offers," the article continues, "no general tax cuts or special business incentives to kick start the sluggish economy immediately."

Remember, we have a program that they defeated with a filibuster.

It rejects the administration's new spending proposals to retool the economy in the long run. It would cut the deficit but not as much as the $500 billion that Mr. Clinton calls for. But it was just last November that voters loudly rejected a recipe quite similar to the one that the Republicans offer—as George Bush can readily attest.

Why? The article goes on to say that it is because all of the cuts were unspecified. There were no honest cuts.

The budget reconciliation package that is now in conference has real deficit reductions. It calls for specific reductions in various areas, covering everything in our economy. That is the way it should be. The Wall Street Journal noted that. That is what happened, quite frankly, with President Bush last year. He had a big program that was not specific, and people would not buy it.

Going on:

"People want to see change," says conservative analyst William Kristol, who learned the lesson himself in 1992 as Chief of Staff to Vice President Quayle. "The great risk of current GOP proposals," he added, "is you end up almost by definition supporting the status quo."

The American public does not want the status quo.

It goes on to say:

"They are very big people when it comes to beating up on working women and minorities," says Clinton strategist James Carvell, "but when it comes time to take on the deficit or millionaires, they shirk back. It's cowardly."

He is talking about the Republicans.

I think fighting this guerrilla war, not willing to come forward and offer a proposal that the Democrats could vote up or down, and completely running from anything the new President offers, is cowardly. That was reflected in the Wall Street Journal.

Even with no specific additional spending cuts, the Republicans came up $100 billion short in cuts to deficit spending, compared to the reconciliation package that passed this body. Citizens for a Sound Economy, American Energy Alliance, the phony Senior Citizens Advocacy Group I mentioned—and I think my friends on the other side of the aisle—have one thing in common, and that is that they generate false and misleading statements about the first attempt in modern history to do something about the deficit. People of the State of Nevada and people throughout this country should be aware of the false and misleading advertising that is being conducted by special interest groups willing to spend large sums of money to maintain the status quo.

Yesterday, a newspaperman from Nevada summed up my feelings when he said that this package that we voted on is not a perfect package, but it is the first real reduction that has taken place in his lifetime. I believe that to be the case. But this, Mr. President, is only the beginning. We have 13 appropriations bills coming up. You are going to see significant cuts in those bills. And the best, the American public should realize, is yet to come. That will be when the President offers his health package this fall. It will do great things to cut the deficit even further. Remember, if we do not do something by next year, health care costs in this country go up over $100 billion.

The deficit reduction package now in conference is not perfect. It has warts, moles, and defects on it. I think there could be a better package, but it is the first package that I have ever had the opportunity to vote on that calls for real deficit reduction, and I am glad I voted for it. It will help the people of the State of Nevada and this country.

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Nevada for an excellent statement. He has laid bare some of the incredible distortions that have occurred throughout the country, distortions made by organizations claiming to be credible, and certainly they are not; distortions made on the basis of extraordinary exaggeration, unfounded criticism, and downright deception. I think the Senator's points are well taken, and I certainly hope that as we examine the record, look at the facts, and understand the consequence, the wise words of the distinguished Senator from Nevada are heard and considered carefully.

We take the floor this morning because, as everybody understands, the budget reconciliation conference began yesterday. We are now in the final stage of this effort to produce the biggest deficit reduction in history.

For months, as most Americans now know, we have been debating really three choices:

The first choice is to do nothing, to allow the spiraling deficits to wreck the economy, as they have now for 12 years.

The second choice is to embrace a Republican plan, a plan that entails deep cuts in health care, including Medicare, a plan that unfairly burdens seniors and veterans, a plan that hits the middle class harder than anyone, a plan that allows the wealthy to continue to avoid paying their fair share.

Theirs can only be called by one name: the status quo plan. It is the status quo plan because it locks into place what we have done for the last 12 years.

Someone once said that status quo is Latin for "the mess we are in." I think there is a lot to be said for that, because the mess we are in includes making the middle class pay while the wealthy laugh all the way to the bank. It is what they have been doing now for so long.

But we have a third choice. It was the choice that was passed here in the Senate, a choice that was passed in the House of Representatives, a choice now under consideration in conference, that includes the largest deficit reduction in American history; deficit reduction brought about in large measure through spending cuts. Over 50 percent of the deficit reduction in the package passed by this body comes from spending cuts. Ninety percent of all new taxes paid are paid by households earning more than $140,000. This plan also represents the first step toward restoring the economy and creating good jobs.

The Senator from Nevada called the Senate's attention to the article in the Wall Street Journal yesterday. I think it was uncharacteristically demonstrative, really, of Republican intentions. I say uncharacteristic because you do not often get this kind of clear balance from the Wall Street Journal when it comes to politics. But the headline in the Wall Street Journal article is probably the best part. It says, "GOP War Cry of No New Taxes Appears to Have Broadened to No New Anything."

No new anything. As the Senator from Nevada pointed out, it is clearly contrary—that is the Republican position—to what the American people voted for just last November. I thought one of the more revealing quotes in this article was made, not by a Democrat, not by anyone here in the Senate, but by the key adviser to then-Vice President Dan Quayle, William Kristol, now one of the think-tank leaders in Republican circles.

Here is what Mr. Kristol said in the article that appeared in the Wall Street Journal yesterday: "People want to see change. The great risk" of current GOP proposals is "you end up almost by definition supporting the status quo."

The great risk, Mr. Kristol says, of GOP positions is that you end up by definition supporting the status quo.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

GOP WAR CRY OF NO NEW TAXES APPEARS TO HAVE BROADENED TO NO NEW ANYTHING

(By John Harwood)

WASHINGTON.—In drafting alternatives to President Clinton's deficit-reduction program, congressional Republicans left out not only taxes but something Americans have very much wanted lately: change.

Consider the proposal advanced by the nation's top Republican, Senate Minority Leader Robert Dole. It offers no general tax cuts or special business incentives to kick-start the sluggish economy immediately. It rejects the administration's new spending proposals to retool the economy in the long run. It would cut the budget deficit, but not as much as the $500 billion that Mr. Clinton calls for.

Conventional wisdom has it that the Clinton plan is a winner for Republicans. Bearing no responsibility for governing, they can stand on the sidelines, watch the Democrats squirm and benefit at the polls in 1994. "It's their baby," Mr. Dole says of the Democratic plan, adding, "Every day you get a little closer to next November."

But it was just last November that voters loudly rejected a recipe quite similar to Mr. Dole's, as George Bush can readily attest. Indeed, Mr. Dole's plan underscores the potential pitfalls for Republicans in alternatives geared more toward embarrassing the president than advancing a distinctive new agenda.

"People want to see change," says conservative analyst William Kristol, who learned the lesson himself in 1992 as chief of staff to Vice President Quayle. "The great risk" of

current GOP proposals, he adds, is "you end up almost by definition supporting the status quo."

Clearly, by hammering away at broad philosophic differences between the two parties, the Republican proposals have placed pressure on the negotiations that begin this week over Mr. Clinton's program, and have helped restore the partisan edge to the tax issue that George Bush's presidency badly blurred.

But Democrats counter that the GOP plans have their own vulnerabilities, especially in their opposition to Mr. Clinton's proposed tax increases on the affluent.

"They're very big people when it comes to beating up on working women and minorities," says Clinton strategist James Carville. "But when it comes time to take on the deficit or millionaires, they shirk back. . . . It's cowardly."

The GOP plan that has earned the best reviews is the House plan drafted by Rep. John Kasich of Ohio. Using spending cuts alone, Mr. Kasich's plan would have reduced the deficit by roughly $445 billion over five years while meeting the president's challenge that advocates of additional cuts be specific. He itemized hot-button proposals to charge Medicare beneficiaries more for services, and targeted a broad range of spending programs including federal civilian pay, military retirement, U.S. subsidies to the World Bank, support for mass transit and new oil purchases to fill the Strategic Petroleum Reserve. He would have also abolished the Commerce Department by 1998.

"This effort was done to demonstrate that you can reduce federal spending without tax increases," Mr. Kasich says.

But it also demonstrated that deficit reduction is more popular in general than in detail. Some 40 of his House GOP colleagues voted against it, a far higher rate of defection than the president suffered in assembling his all-Democratic 219-vote House majority.

In contrast with Mr. Kasich's plan, Mr. Dole glossed over details and managed to hold all but one Republican senator in line behind his plan to cut the deficit by about $410 billion over five years. The only spending cuts that Senate Republicans itemized were those contained in the Democratic plan. Still lamenting the fallout Republicans suffered in 1986 after pushing stiff deficit-reduction medicine, the minority leader relied on numerical spending "caps" to save more money beyond that. He did suggest to GOP colleagues that a Republican alternative might include a small dose of tax increases, specifically a 10% surtax on incomes of $1 million or more. But the Republicans ultimately scuttled the idea as not worth the trouble.

Such posturing leaves some budgetwatchers disappointed in both parties. "There are two elements missing in the budget debate this year," says Carol Cox Wait, director on the centrist Committee for a Responsible Federal Budget. "One is candor, and the other is bipartisanship." She faults Republicans for denying the need for tax increases, and Democrats for suggesting that deep cuts in federal benefit programs, or entitlements, can wait for health-care reform rather than the other way around.

The administration and Republican approaches have some things in common, such as extending the spending caps designed in the 1990 budget deal. The GOP plans, though, would abandon Mr. Clinton's proposed investment spending. The Republicans would also go further in curbing entitlements, which everyone agrees represent the foremost engine of deficit spending. Mr. Kasich proposed cutting $73 billion from Medicare over five years, compared with the $50 billion that House Democrats have approved.

Senate Republicans would save even more. But beyond echoing the entitlement savings advanced by Senate Democrats, they never spelled out how. Instead, the GOP plan would realize Bush administration Budget Director Richard Darman's cherished goal of extending budget caps to entitlements, aiming to save $49 billion beyond the administration's proposal by capping them at current levels adjusted for population growth, inflation and an additional 1% cushion beginning in 1996.

Advocates of entitlement caps, such as Republican Sen. Pete Domenici of New Mexico, say they would goad Congress to reform Medicare to produce the needed savings. But the caps also helped the Senate GOP plan dodge the political problem encountered by Mr. Kasich.

"It didn't force anybody into very many hard choices . . . right now," says former GOP Rep. Bill Frenzel, now a budget analyst at the Brookings Institution.

Of course, the unspoken danger in the deficit-reduction debate is that persistent economic stagnation bares the emptiness of both parties' policies. In their quest to stem the red ink, Democrats and Republicans alike have largely abandoned talk of providing much stimulus to the economy.

Mr. Kristol says Republicans must take a "bolder and more aggressive stance" to restructuring government and the tax system heading into 1994. For Mr. Clinton's part, the slumping economy might even justify abandoning austerity and reviving one of his popular campaign promises.

"Next year he should ask for a tax cut for the middle class," says Salomon Brothers executive Stephen Bell, a former aide to Sen. Domenici and a deficit hawk who contends the economy badly needs a kick-start. Republicans, Mr. Bell adds, "won't know what to do."

THE NUMBERS GAME

The House and Senate versions of the Democrats' deficit-cutting plan, which are being reconciled in conference, contain more taxes than the GOP plans but also would achieve more deficit reduction.

[5-yr. totals, in billions of dollars]

	House GOP	Senate GOP	House Democrats	Senate Democrats
Cuts in discretionary spending	270	208	102	102
Cuts in entitlement programs such as Medicare	125	165	69	97
Tax increases	0	0	276	243
Interest savings	50	37	56	56
Deficit reduction	445	410	503	498

Note.—Figures for Republican discretionary cuts adjusted to match Democratic accounting assumptions.

Mr. DASCHLE. Mr. President, it is clear that Republicans in this great debate have opposed change. Republicans status quo clearly has benefited a certain segment of our population. It has ravaged cities. It has ravaged rural America. It has ravaged the middle- and lower-income Americans. It has ravaged the financial foundation of our Nation.

In case anyone needs to be reminded of the facts clearly derived from budgetary analysis, regardless of to whom you turn, the facts are very graphic: We are experiencing the worst economic growth since World War II; the worst job growth since World War II; the lowest rate of average earnings since the late 1950's; the worst rate of personal savings in 50 years; the largest number of individual and personal bankruptcies in history; unprecedented trade deficits; the highest poverty rates since the declaration of war on poverty in the 1960's; two disastrous recessions; three times more in debt in 12 years than the United States of America incurred in the previous 200.

All of this, Mr. President—all of this—and we still find most of our Republican colleagues fighting for, as Mr. Kristol calls it, the status quo.

The Wall Street Journal had it right. The Republican alternative is no new anything; keep those statistics just as they are. The Republican status quo budget proposal would do just that. They say they want deficit reduction. Yet their plan cuts the deficit $139 billion less than the President has proposed. It does not reach the $500 billion target that President Clinton has said to be our bottom line. Their plan says: We will settle for something less. We will settle for a deficit reduction target over the next 5 years of $139 billion less than what the President has proposed. We are for deficit reduction. We just do not want it to be as great as $500 billion. We recognize that the deficit could increase $1.5 trillion over the next 5 years, but our best shot at reducing that falls $139 billion short of President Clinton's. But believe us, we are for deficit reduction.

Most of the cuts that have been made in the Republican plan are the same kinds of cuts we saw all during the 1980's, pure smoke and mirrors. In fact, not one specific mandatory cut in the entire GOP plan can be found. Not one penny is cut from anything, specifically.

And most ironically of all, we have all heard them criticize the Clinton budget for having too many cuts in the outyears; that we are not cutting enough in the first couple of years, and that we are depending upon cuts at the end of that 5-year plan, after the next election. So certainly you would expect to see the Republican plan front-loaded with more cuts up front than in the outyears. But what do you see? Under their plan, even more cuts fall in the outyears. According to the Congressional Budget Office, 65 reduction under the status quo Republican plan occurs in 1997 and 1998. Over half—almost two-thirds—of the cuts and deficit reduction in the entire Republican budget plan occur in the last 2 years of the 5-year plan. According to the Republicans' own figures, the ratio is 76 percent in their plan versus 56 percent in the President's.

What deficit reduction they do include, while not specific, sends a very clear message about who their targets

really are: 43.5 percent of the GOP status quo plan hits the elderly and the poor, Mr. President. Only 12½ percent of the President's plan falls on those who can afford it in the least.

So there is the difference. If you want to see who the target is in the two plans, it is pretty clear by looking at who it is who will feel it the most. Almost half of the plan on the Republican side, the status quo plan, does exactly what we have done for the last 12 years, clearly fitting the definition of "status quo." Let us hit the elderly and the poor even more. Just as we have done for the last dozen years, we will hit them again. Forty-six percent of all we propose will fall on their shoulders.

President Clinton said enough is enough; we cannot do that any more. We have to do a better job of distributing the pain, and the vast majority of the responsibility for deficit reduction ought to fall on those who have been spared it the last 12 years. That is what real change is all about, and that is what the President's plan does.

The Republican plan cuts Medicare by $100 billion more than what the President proposed, $165 billion over the next 5 years. We are told that if the Republican plan were to be enacted today, at the end of 5 years, Medicare recipients would have out-of-pocket expenses exceeding $850. That is almost a threefold increase over what they are paying now in out-of-pocket expenses, but they say that is O.K. because that is what we have done throughout the last 12 years. We are just extending the status quo, according to the Republican plan.

But even with all of these unspecified cuts, the President's plan achieves more in deficit reduction than the Republican status quo plan, even with all the pain and the hurt the Republican plan would have on seniors, on veterans, and on the middle class. The President says, "I can do better."

We have to find a way to hit this $500 billion mark. We cannot settle for $139 billion less, as the Republican have proposed.

So, who benefits from the difference? That is pretty clear. Who would benefit from the difference, if we were to enact the Republican plan, are the same folks who benefited from the status quo for so long. Republicans ask the rich to contribute the grand sum of zero to deficit reduction—not a penny. While the President calls upon everyone to sacrifice, Republicans fight to force it all on the backs of the middle class.

While the claim can be made, I suppose, that the Republicans are interested in deficit reduction—they have come up with a plan; it may not be as large as what the President wants and what we have now passed, but it is a plan—I think the real intention ought to be clear. The real intention of many on the other side is very clear as a result of the debate over the last several weeks. The real intention is to embarrass the President. There is no doubt, given their actions over the last 3 months.

Why else would they have fought for capital gains reduction for years, but voted as a unaminous block against the Mitchell-Bumpers small business capital gains reduction plan? Why else would they argue for entitlement caps, but vote against the Sasser entitlement cap amendment last month? Why else would they have voted for tax increases over and over during the Reagan and Bush years?

When President Reagan told them, "We have to have a tax increase," they said, "Yes, sir, Mr. President." When President Bush said, "We have to have a tax increase," they said "Yes, sir, Mr. President." Now, President Clinton says, "President Reagan and President Bush, unfortunately, came to the same conclusion that I had to come to: That we cannot simply reduce the deficit if all we do is cut. We have to raise revenue."

But now they stand unanimously opposed to President Clinton's recommendations. Why else would they criticize the Clinton plan for too many cuts in the outyears, and then offer a plan with even more cuts in the outyears and fewer cuts in the first year than the President's?

Mr. President, the American people do not want more of the same. They do not want us to do nothing. And they do not want us to continue the status quo policies that perpetuate the ravages of the 1980's.

No one has ever been enthusiastic about cuts and taxes. But the American people are even less enthusiastic about the $1.5 trillion in additional debt over the next 5 years if we do nothing.

It is imperative that we succeed, that we put this country on a stronger financial foundation, and that we send the right message to the financial markets and to the world markets. This must be the end of the status quo. Rosy scenario lies somewhere buried in a casket. The American people have at long last been given what they asked for—they have been given real change.

Now let us continue the job in the budget conference.

Mr. President, I yield such time as he may consume to the distinguished Senator from Illinois.

Mr. SIMON. I thank my colleague from South Dakota. And I may be interposing on his time, because I did not come over here really to talk about the deficit, but I want to add words of appreciation for what he has said and Senator REID has said, because what the President has proposed is clearly the course this Nation has to follow.

We have—and I have to say, when I say "we," I have to include Democrats—frankly, we have ducked the deficit in the last 12 years, Republicans and Democrats alike. And now, thanks to the leadership of the President, we are facing up to it. And that is in the national interest and we ought to support the President on that.

SOMALIA

Mr. SIMON. Mr. President, I would like to take a few minutes of time, without imposing on the time—I know my colleague is working on the deficit situation—to comment on some remarks of the distinguished President pro tempore, Senator BYRD, for whom I have a high regard and I know we all do. He gives us more of a sense of perspective by far than any other Member of the Senate. He takes us back to Rome, he takes us back to the early years of this Senate. He has really contributed immensely in that way.

He made some comments yesterday that I heard about—and I was just glancing through the RECORD and I was not able to find—part of which I agree with, part of which I disagree with.

The part I disagree with is his suggestion that American troops ought to get out of Somalia. Frankly, we led the effort there in Somalia under President Bush. And I think it was President Bush's finest moment. We led; we assured the other nations that, after we got food so that more than 2 million people would not starve to death, there would be a residual American force to help with some of the problems that are going to be faced in Somalia. And there are problems.

But, I think it would be unfair to the 20 nations—yesterday on the floor of the Senate, or the day before, I mentioned 20 nations; I understand there are 22 nations there now—for us just to pull our troops out. We are needed, among other things, for technical reasons to provide clean water. You know there is no government in Somalia. So I think it is important.

I have also, since I spoke, received a fax from Ambassador Madeleine Albright about a group of leaders, chieftains and tribal elders in various communities in Somalia, who are thanking the United Nations for being there and doing the job that we are doing.

Where I do agree with Senator BYRD in his comments is I think we have to face up to this problem, as we have not, of how much we contribute to various U.N. efforts and in what fashion. Right now, it is kind of a vague, unlimited amount that can be contributed.

The problem with that unlimited number is obvious. We could, in theory, have 100,000 troops in Macedonia in 10 days. Obviously, no one would propose that.

I do believe that there should be a limit and that we ought to say that 5,000 troops—and as far as I am concerned they could be volunteers—and

we enact that into law and we say that 5,000 American troops are available on 24 hours' notice for a U.N. action, subject to the approval of the President of the United States, for peacekeeping or peacemaking, so there is a limit.

But, second, so there is a fast response. In Somalia, the United Nations authorized 3,500 troops. It took 6 weeks to get 500 Pakistani troops to the capital city of Mogadishu.

When I returned from my trip in early November to Somalia and the United Nations had authorized 3,500 troops, I called Secretary General Boutros-Ghali and urged him to get the additional 3,000 and—I just picked the number out of the air—10,000 additional troops in as quickly as possible.

He said, among other things, "Well, we are planning to send the 3,000 troops there by ship," I said, "By ship? People are going to starve while we are waiting to get them there by ship." He said "Well, your Government charges us for any planes that we use, so we cannot send them by plane."

We got all this worked out, and that Thursday—this was a Monday morning I made that phone call—that Thursday, President Bush made a decision that we were going to move into Somalia. And it was the right decision.

But I mention this because the United Nations has to be able to move and move quickly. And I think the United States and Great Britain and France and Germany and Japan should make a commitment of x number of troops that will be available on 24 hours' notice so that when a situation emerges, whether it is Somalia or Bosnia or wherever it may be, we can respond quickly.

But it should be a limited number and it ought to be authorized by Congress. And that is why I favor something along that line. I have had some brief discussions with Senator BIDEN and Senator BOREN about this. I hope we can develop some legislation.

The point made by Senator BYRD on this is, I think, a valid one.

Mr. President, I thank my colleague from South Dakota for yielding. I do not think he expected me to be talking about U.N. troops here. I just came over. I did not realize we were in a special order here. But I thank him for his leadership.

Let me just add what a great contribution our colleague from South Dakota makes to this body. He is, as many people from South Dakota may not know, part of the leadership. He heads the Democrat Policy Committee. He has been a thoughtful person who helps on problems. South Dakota problems, yes, he fights for South Dakota. But he also is a U.S. Senator and has been helpful—I cannot vouch to the Presiding Officer that he has helped on problems in Tennessee, but when I have gone to him with problems for Illinois, I know he has helped.

I am very grateful to him for being such a splendid Member of this body.

Mr. DASCHLE. I thank the distinguished Senator from Illinois for those very generous words.

I appreciate greatly his comments and also the insight that he has just provided us on Somalia. I happen to agree with him that it would be a mistake for us at this point to pull out of Somalia, at a time when perhaps one could argue we are needed even more.

So I compliment him for his remarks. The contribution he made was not in the context or the purpose of this special order, but it was a valuable contribution, and I appreciate it.

Mr. SIMON. I thank my colleague from South Dakota for typically not complaining when I spoke about something that was not part of the special order.

Mr. DASCHLE. Mr. President, I yield such time as he may consume to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Thank you, Mr. President.

I am delighted to join my friend and colleague from South Dakota and my friend and colleague from Illinois, as well.

I might add, I, too, support and embrace the comments that were just made by the distinguished Senator from Illinois, both with respect to Somalia and, in passing, with respect to the deficit reduction.

I would say that, although the Senator from Illinois this morning did not address in detail his concern about the impact of the continuing Federal deficit on our Nation's economy and on our ability to meet our objectives and long-term goals, as well as our hopes and aspirations, that he is one of those that has real credibility in this area, and I appreciate the fact that he has continued to work on it.

THE PRESIDENT'S BUDGET

Mr. ROBB. Mr. President, I would like to speak for just a couple of minutes this morning about the President's plan that is currently the subject of intense negotiations between the various parties who are engaging in the conference from both the Senate and the House with respect to the budget reconciliation bill. I happen to think that it is extremely important. I think the ultimate product of their work is important to the country and I applaud the President and the leadership here in Congress for taking us to this particular stage.

It has been 25 years since we have had a balanced budget in this country. And during the last half of that period our spending has been essentially out of control. We came from a period a little over 12 years ago when the national debt was under $1 trillion to the point that at the beginning of the new administration it exceeded $4 trillion. It had gone from less than $1 trillion to more than 4 trillion in just 12 years.

There are only two ways we can really address that question in terms of bringing the deficit under control and ultimately doing something about the continued acceleration, at an almost exponential rate, of the national debt. One is to reduce spending, to cut or decelerate the amount of spending we are doing. The other is to increase revenues—in most cases that means taxes. Or we can have some combination of the two. There is simply no other way to do it.

In this regard I commend our President and the leadership here in the Congress for attempting to do just that, to do it in a responsible way, to do it using real numbers for the first time since I have been a Member of this body. We have numbers and projections that are real, that we can trust to the extent any projections can be trusted. And we are not always assuming all of the revenues are going to be at the very highest possible number and all of the expenditures are going to be at the very lowest possible number, thereby exacerbating the situation and contributing to the long-term profligacy that has characterized recent years.

The particular budget the President has put together I believe is fair. I believe it addresses the basic concerns that are confronting this country today. It provides that kind of limited stimulus for job creation and spending in those areas that are important and will continue to contribute to our long-term economic good health. But most important, it reduces the deficit in real terms over the next 5 years by $500 billion. I think that is terribly important because we have not had that kind of commitment in the past.

There is a chart that I hope will be available next week. It has been available in outline form which I saw recently. Many of my colleagues have not focused upon it but it is important to me. I will describe it. It is a very simple chart. It simply shows how much actual deficit reduction or increase on the deficit would occur if you remove from annual budgets the interest on the national debt.

In other words, if we were to look only at the spending that was proposed by a particular President during the time that President would be in office, and excluded the sins of the past, if you will—the interest on the national debt that has to continue but which each new administration has to accept and inherit from the preceding administration—if we take out interest on the national debt, we would see that under the last 12 years the actual increase in the deficit, that is, the increase in spending over revenues that were coming in, exclusive of interest on the national debt, actually was some $716 billion.

What that tells us is that during the last 12 years, if you put aside interest on the national debt, the plans proposed and ultimately enacted increase spending—that cannot be blamed on anybody else, on any prior administration, on any prior Congress, it is simply increased spending and did not account for it in terms of how we were going to pay for it—by $716 billion according to the figures that have been prepared by the Congressional Budget Office.

If you use the same analysis and apply that to the budget that is currently before the Congress, again you are taking out interest on the debt. It is the one item which no administration, no Congress can control. And the principal reason we have to attempt to get control over it, we simply have to pay the interest on the debt. If you take that out, the budget that is currently before the Congress actually reduces the deficit during that period by $127 billion.

What we find is that this plan we are currently considering has incorporated in it $127 billion of true spending cuts over and above the rest of the spending and the revenues that are included in the budget. That means if we had been able to start from a clean slate, at the end of the next 5 years we actually would have a budget surplus of $127 billion. That to me is the measure of what any given administration at any given time in our history is actually doing about deficit reduction—whether they are serious or whether they are not serious. If we are ever going to make any long-term impact we have to recognize this particular challenge that is facing us and do something about it, or we are not gong to succeed on that particular level.

So I commend the President. How has he put this plan together? How have the two Houses of Congress put it together? Basically they have combined approximately equal numbers of reductions in spending and increased taxes. There are very few that applaud specific cuts in spending unless they do not happen to affect them personally, and almost nobody applauds tax increases. Nobody wants to pay more taxes.

Yet I applaud those who recognize the reality, who accept responsibility for the future fortunes of this Nation and future generations and make some of those tough choices. In this particular case we have made enough tough choices that when combined bring about $500 billion of deficit reduction. It might be more.

As a matter of fact, some of us who occasionally kid about being on the troglodyte end of deficit reduction would clearly like to see more. I would like to see more restraint on spending and have proposed amendments and have supported amendments that would do that. But the bottom line is this particular package brings about $500 billion more deficit reduction than we would have without it. That is a a very important step at this particular stage of our history.

There never seems to be a good time to reduce the deficit. I do not care whether we are going into a recession and everyone says we cannot do it now; whether we are in a prolonged period of stagflation of stagnation and everyone says you simply will not be able to pull your way out of it; or if we are coming out and somebody says we do not want to do anything to hurt the recovery—it is never a good time to reduce the deficit. Yet we have that responsibility to our children and our grandchildren.

Let me make one comment on the basics of the plan that the President has proposed and that so far each body of the Congress has approved, although in different variations. The program is as equitable a distribution of the increased burden as I think you could possibly come up with. Those who make $30,000 or less per year are not adversely affected. Indeed, there are a few dollars more that they would get, either through the earned income tax credit or some other form. So they are not adversely affected.

For those who are in the so-called middle-income range, some averages point out that the increased burden is something in the vicinity of $17 per month.

Most of the burden falls on those who are most able to pay. The vast majority of the new taxes that are included in this particular budget come on those making over $100,000 a year. Something like 86 percent, 87 percent of the taxes come from that portion of the electorate. Indeed, something like 78 or 79 percent of all of the burden falls on those making over $200,000 a year.

So, it is designed to be as equitable as possible and it is designed to help those who are most in need of Government help.

With respect to small businesses, there are clear incentives. The plan is designed in such a way that the vast majority of small businesses are helped, notwithstanding what I know is widespread misunderstanding within the small business community. For the most part, the small businesses that bear the brunt of the burden are the same individuals operating as a small business who are the professionals, the lawyers and doctors and others, who are fortunate enough to have a very high income and are thus able to bear their fair share of the load.

So the program, in essence, is fair and equitable. It does real deficit reduction. It does not duck the tough questions. It asks our citizens to make some principled choices, asks all of us to participate to the extent it is fair, equitable, and reasonable to do so, and make some modest commitment to the future so we will not continue this profligate spending that the Government has engaged in over a long period of time.

I am very pleased to join with my distinguished friend and colleague from South Dakota this morning in commending the President for his leadership in this area, as well as the leaders of the Senate and the House for their leadership, and in expressing the hope they will, as soon as possible, come to closure on the remaining issues that are in dispute so we can ultimately pass the plan and get it to the President for signature and get this country back on the right track in terms of getting the economy moving again and making some serious efforts at deficit reduction.

With that, Mr. President, I yield whatever time remains to me. I thank my colleagues for this opportunity to join in standing behind these efforts and the courage that has been shown by the President and by the leaders of the Congress and by those who are willing to make tough decisions and go on the line to do something essential for future generations.

I yield the floor.

Mr. DASCHLE. Mr. President, I want to thank the Senator from Virginia. He is absolutely right. We have to get on with it. We have to bring this issue to closure. Time is running. The American people are expecting this Congress to do something soon, to do something conclusive, to do something that represents a change from the practices of the past.

I commend heartily the comments made must now by the distinguished Senator from Virginia.

I will now yield to the distinguished Senator from North Dakota.

Mr. President, following his remarks, I will yield back the remainder of the time and encourage Senators to seek recognition on their own time.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

WE HAVE TO SET THINGS RIGHT IN THIS COUNTRY

Mr. DORGAN. Mr. President, I thank the Senator from South Dakota for yielding the time.

This is a useful discussion, it seems to me, if only because many of us have for the last week watched Members on the minority side of the aisle in the Senate stepping forward to talk about the economic plan of President Clinton in terms that make that plan almost unrecognizable.

One of the things that has interested me is the charting on the minority side. They bring out pink and blue and black charts that are bright, if not accurate, and they portray them in a manner that would suggest that President Clinton's plan is an attack on the rich in this country. They have put numbers together in a fashion that

would cause those who use those numbers to flunk statistics 101.

Let me tell you what I mean. I saw the other day, as I was presiding in the chair, a graph offered by one of the Members of the minority side that had a bright pink bar and a black bar that said, here is what the rich used to pay in taxes and here is what they now pay in taxes. And they said, do you see what is happening? The rich are paying more in taxes. It was only slightly more, but, yes, the rich are paying more in taxes; therefore, we conclude that the Democrats are trying to pile on.

What they did not say in their chart—and I assume they know but they just did not want to share with the American people—is yes, the rich are paying slightly more in taxes, but not nearly as much as they should pay relative to the amount of income they receive.

Let's go back for a decade and take a look. If you were fortunate enough to earn more than a couple hundred thousand dollars a year, you saw your income increase by about 120 percent, but your tax burden did not grow 120 percent. You would expect, as your income grows, your tax burden to grow as well, in about the same proportion. But if you were among the very rich in America during the past decade, your income grew by about 120 percent, but your taxes went up only about half of that, 60 percent.

So the folks on the minority side say: "You see, the rich are paying more in taxes." Slightly more. But the fact is they got out of about half the tax burden they should have had as a result of the tremendous income gains they had in the 1980's. President Clinton says, and quite appropriately in my judgment, let us ask them to pay their fair share.

People get up in the morning, put on some work clothes, go out and work 8 or 10 hours a day, they sweat, they work with their hands, they make a living, they take their lunch box. It is not easy. They pay taxes. If their income doubles, you can bet their tax obligation is going to double too. But what happens if you are making $500,000 or $1 million or $10 million a year? Well, if you are part of that class, during the past 10 or 12 years, you have seen a tremendous gain in income and have not had to pay much more in income tax.

So the President says, let us even that up. Let us make sure there is some responsible commitment on the part of the wealthiest in America to pay their share as well. Is this class warfare? Is it an attack on the rich? Heck, no; it is just saying to those who have benefited the most from the past decades' economic policies: Pay your fair share.

We hear a lot of protests and huffing and puffing in this Chamber from people who throw up smoke screens. Their real motive, it seems to me, is, once again, to say we think the American economy is really dependent on the rich getting richer, and if we can just somehow allow that to happen without having to pay tax obligations that others would pay, that will benefit America.

We have been through that in the 1980's. We had something called supply-side economics. A friend of mine said this is when one side gets all the supplies, and it "ain't" our side. We have been through all that supply-side economics. It does not work. The rich got richer and the rest got poorer. So we are trying to even things up and reduce the deficit by asking the rich to pay some more in taxes, just their fair share. And the minority side says, "No, no, no, that is class warfare, that is piling on."

What a bunch of nonsense. In the last week, what I have heard from the minority side is: "You know, there are numbers now that demonstrate because of lower interest costs, the deficit is going to come down a bit. So maybe we should not do anything." Boy, old habits are hard to break. They have been preaching that for a long, long time. Let us really do nothing. If we just do nothing, things will be just fine; this problem will go away; let us not step up to the plate and make tough choices, just do nothing.

We have heard that now for 3 or 4 days from the minority side.

The fact is this President has proposed a plan. It is not perfect, but it is a plan and I think a good one. He inherited an economy that was spending, through its Federal Government, a billion dollars a day more than it was taking in. Let me say that again because it is important. Every day, 7 days a week, every week, all year this Government spends $1 billion it does not have and floats bonds to charge it to the kids and grandkids.

We have a $4.2 trillion debt and a deficit of a billion dollars a day. The question is: What are we going to do about it? Some would have us keep doing what we did in the 1980's and essentially do nothing. We will talk about it but do nothing about it. This President says, "Let us make tough choices." He said, "Let us cut spending." The other sides said, "Well, he is not proposing spending cuts." Are they blind? Of course there are spending cuts.

I have heard people on their side stand up in this Chamber and complain about spending cuts. How can they, on the one hand, say there are no spending cuts and, on the other hand, complain about the cuts that exist?

The President says let us cut spending and let us raise some revenue. Would I like to do it if I had my choice? No, I would prefer doing none of that. It is not easy telling people we are going to cut programs that are important. It is not easy saying to people that they will have to pay more taxes. The easiest possible decision on these economic issues, manifested by what the House and Senate have done under the leadership of President Reagan and President Bush, is to essentially do nothing and to pretend this problem does not exist.

Of course, that is not the right decision. The right decision is for all of us to decide this is an enormous problem, a problem of almost crisis proportions that we must address and address soon.

So the House of Representatives and the Senate, by narrow margins, went along with this President's plan. The plan is not perfect. It was changed in the House of Representatives, it was changed in the Senate, it likely will be changed again in the conference committee. There are changes that I want to see, some that I insist we make. But I will tell you one thing. When all of the dust settles, I am pleased there is a new President who has decided this is a crisis and he is going to meet it. He is going to ask the tough questions, he is going to recommend tough choices, and despite all those folks we have to drag along into the future to meet this country's challenges, we are going to do it.

I come from a town of about 350 people. I graduated in a high school class of nine. In my hometown, as there are, I suppose, in almost every hometown, almost every morning there are a few people who get up and go down to the local bar and play pinochle. They are good people, but that handful that goes down there and play pinochle complain all day about the Government and what the problems are and they usually have all the solutions, as well.

While they are playing pinochle, there are other folks in town deciding what has to be done to make my town work.

That is kind of the way it is in the Senate. You do not see people visibly playing pinochle, but we have plenty of people who spend most of the day complaining about the way things are but who contribute very little to making things work.

This President is saying to the folks on the minority side: "It is a new day. We are not going to ignore problems. We are not going to pretend they do not exist. If numbers come out tomorrow that say the deficit has been reduced, because of lower interest costs, from $350 billion to $320 billion, you are not going to convince us to do nothing because we know better and the American people know better."

This is the time if we really want to solve this country's problem, if we really want to create opportunity, hope, and jobs again, if we really want to compete and win against increasingly shrewd and tough international competitors, then we have to set things right in this country's economy.

And for all of his flaws—and there are plenty—this President is the first in a decade to step up and say, "Let us do something. Let us do something for our kids. Let us do something good for this country."

While I can think of 100 reasons to do nothing, none of those reasons are compelling for me. I can think of one reason why we must do the right thing now. I have kids who are going to inherit what we leave them, and our current legacy is spending $1 billion a day that we do not have. We just cannot keep doing it because it is crippling this country's economic future.

I am pleased that we are finally moving to solve some of these problems.

I would at this point, Mr. President, yield the floor and yield time to my friend from Michigan.

Mr. RIEGLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. RIEGLE. Mr. President, I ask unanimous consent to speak for whatever time I may consume.

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

Mr. RIEGLE. I thank the Chair.

I thank the Senator from North Dakota for his statement and his leadership on these issues. I think he makes this as understandable and clear cut as anybody who addresses these issues in the Senate, and I thank him for his leadership.

VOODOO ECONOMICS

Mr. RIEGLE. I would like to try to explain as best I can how this economic problem that we are facing now actually came about and what we must undertake to fix it. The problems that I am talking about are the huge Federal budget deficits that have been building up over the last several years; the fact that we are not seeing the kind of job growth we need in this country; and that we have huge trade deficits.

Basically, when you analyze all of this, you will find that the United States has been following, over the last several years, economic policies that are very hurtful and have really worked against us and created huge problems we now must correct.

I wish to talk about how we fix those problems, and that is to take the outlines of the Clinton plan, to start investing in ourselves, in job creation, bringing down the Federal budget deficit, trying to concentrate on generating real economic growth in our own economy and job creation partly through lower interest rates and a more favorable long-term climate in terms of having more of the savings that we accumulate as a Nation be available for private sector investment and private activity as opposed to being needed to pay for an ever larger Federal budget deficit.

But in order to really understand the need for a new plan and a change in direction, we have to take a minute to look back at what has caused these problems. If we do not do that, then we are likely to have the wrong remedy to fix the current problem. It is very important that we have a package which is going to get the job done.

One of the things I wish to concentrate on today is what happened during the 1980's, because that is really what has brought us to our present difficulty, and to lay out how that happened.

Going back to 1980, when Ronald Reagan was elected, he run on a platform that he called Reaganomics, or supply-side economics, the other name for it. The popular names was trickle-down economics—namely, give more money to people at the top of the income scale and hope that somehow or another in spending that money it would trickle its way down through the economy and there would be something there for everybody else who was not up at the top economic levels in our society.

Well, that trickle-down economics theory was a very bad idea, and it has done tremendous damage to our country. It is going to take us decades to dig out of this. Ironically, the first person who spotted it for the fraud that it was at the time was George Bush. Now, this is when George Bush was running for President in 1980, for the nomination for President, against Ronald Reagan, who was also seeking the Republican nomination for President in that year.

As they were fighting back and forth for that Presidential nomination in their party, George Bush took a look at Ronald Reagan's economic plan and called it voodoo economics. That is where the phrase "voodoo economics" comes from. It came first out of the mouth of George Bush. That was one time when George was right on economic policy matters. He spotted it for the fraud that it was. He called it voodoo economics.

Now, the problem is that after the nomination fight was settled in 1980 and Ronald Reagan became the nominee, he invited George Bush on the ticket as his running mate. And then, as we all know since, George Bush felt compelled, I believe, to embrace voodoo economics because that is what the candidate for President Ronald Reagan was going to go out and put before the country.

So George Bush fell in line, and he then signed on to voodoo economics even though I think in his heart of hearts he knew it was clearly a mistake.

That problem then went on for 8 long years, the 8 years of the Reagan Presidency, and then of course George Bush ran to succeed Ronald Reagan, was elected in that election, and so continued Reaganomics, voodoo economics, if you will, for another 4 years. So we had the 8 years of Reagan and Bush; we had the 4 years of Bush and Quayle. That adds up 12 years of voodoo economics. And it has done tremendous damage to us.

Today, when national opinion polls are done and people are asked if the United States is on the right economic track going into the future or the wrong economic track going into the future, over 80 percent of the American people now say, based on their experience and what they see, they believe that the United States is on the wrong economic track going into the future. And they want a change in direction. That is the central reason, in my opinion, that George Bush was defeated in the last election, because he failed on the economic issue. He had an economic plan for every country in the world, it turned out, except this country, and people rejected that. And they turned him out, and they gave Bill Clinton a chance to come in and to put together a new economic plan that was fair, that would work better for our country, and would put an end to voodoo economics.

So now we are here at a point where there is a plan before the Senate. It is a good plan. It is a balanced plan. It is much fairer. It puts an end to voodoo economics. And as luck would have it, our friends on the other side of the aisle, the Republicans, are continuing to defend voodoo economics and a continuation of that, and they are fighting in every way they can to prevent the new President from being able to change the economic direction, to invest in this country, invest in our own people and start to produce a stronger economic performance here in America.

So they are, unfortunately, on that side of the aisle still wedded to the old ways, even though they have not worked. And they are doing everything they can to thwart the new President as he tries to carry out his commitment to the American people, what he was elected on last year, to change the direction and to make the economy stronger and get some fairness back into our economic plan.

Now, last year, when Ross Perot was a candidate for President, he did a very useful thing in coming on national television and giving a series of presentations, using charts to illustrate what had gone wrong in the American economy. And several of us in the Senate have been doing that for some years because we find that an important way to try to illustrate exactly how voodoo economics worked, how it hurt the country, and now how it must be changed, and the kinds of changes we think are needed.

As Ross Perot was doing those national television shows, as he was using his charts, he was using one of these

little metal pointers that extends out and creates a little long metal pointer that you can use to point to different numbers on a chart to illustrate some point that you are making.

After he had done his national television shows two or three times, he was sent by a woman in Louisiana a voodoo stick. Down in Louisiana, out of the old customs and practices, there was an interest in voodoo, and in fact in Louisiana you can get voodoo sticks. And so this woman had sent him a voodoo stick. So he decided to use that as the pointer for his charts.

So I have asked Senator BREAUX of Louisiana, a good friend of mine and a very important leader in the Senate, if he would not get for me a couple of voodoo sticks because I wanted to go ahead and explore and lay out some of the voodoo economics of the 1980's that we are now trying to change. So he was kind enough to send me from Louisiana two voodoo sticks, and I have them here with me. This is the smaller of the two, and I am going to use this voodoo stick initially to sort of go through some of the voodoo of the 1980's that we have to do away with.

We have to finish it off, and we have to change direction or things are not going to get better. Let me start with the worst part of the voodoo. Bear in mind, again, I am using the phrase first offered and put on this by none other than George Bush when he was a candidate for President during the Presidential nomination back in 1980, 13 years ago.

If you look at what has happened to changes in real family income during the 1980's, after Reagan became President and put in place voodoo economics, which meant very large tax cuts for the wealthy and tax increases for people further down the line, what happened is that worked its way through the economy. It hurt the economy very badly.

Not only did we not see the kind of job creation and economic growth and elimination of Federal budget deficits, but we started to see money piling at the top of the income scale and people at the bottom slipping further behind. When I say people at the bottom, I am talking about the middle class as well as low-income people. The middle class, for the most part, during the 1980's, ran harder and harder, in many cases two members of a family taking a job to try to make the income that one family member was often able to earn, say, 20 years ago. And even with two people working, they were finding that they were sliding backward, were having less real income.

This chart bears that out. This is from the Congressional Budget Office. It shows what happened during the 1980's for people in each income category. It cuts the income categories into five different equal parts. So if you look at this particular part of the chart, this is the lowest 20 percent of income earners in the United States by family income, and this is the next highest group. This would be from 20 to 40 percent in national income. This group is from 40 to 60 percent in national income. This group is from 60 to 80 percent. And then this is the highest 20 percent; this is from 80 to 100 percent. That means this is the group with the highest income levels in our economy.

Look at what happened here. The lowest group, the lowest 20 percent of families with incomes in the United States during the 1980's—according to this chart, where there is a zero line across here—actually lost ground; they actually saw their incomes drop over that period of time by an average of 5.6 percent.

Think of what this means. First of all, you are a family at the lowest end of the income spectrum. You are in the lowest 20 percent of all of the families in America. During the eighties, when trickle down was going on, the trickle down was not getting to you. So, in fact, you did not have any gain in income. You had a loss in income and you ended up, at the end of the decade, about 6 percent behind where you were when you started out 10 years before—not a very helpful development for those families or for the country.

Let us look at what happened to the families from 20 to 40 percent in national income. They lost even more. Their real incomes went down 6.3 percent.

If you take the next 20 percent—they would be from 40 to 60 percent in our national income rankings—they also lost ground; not as much as these first two groups, but they are treading water and not making any progress. That is with 10 years of your life going by. Families need to gain ground each year, and certainly over a 10-year period of time they need to gain ground if they are going to have money to accumulate savings to buy a house or to send a child to college, or set money aside for retirement or long-term care or other kinds of expenses that the family has to cope with.

It is not until you get up into the 60-to-80 percent group, which is up here, that you start to see some modest gain in income. That group, after the 10-year period ended—actually, a 12-year period, 1980 to 1992; it is even more dramatic in terms of the timeframe—over that 12-year period, this group from the 60-to-80 percent income level in our society, managed to make, on average, a small gain, 2.4 percent. That was the gain that they made.

Bear in mind that it is 2.4 percent over a 12-year period of time, not 2.4 percent each year for 12 years. It means 2.4 percent over the entire 12-year period of time. So while they made a little headway, they did not make very much.

You say to yourself: Who did make headway? Who did clean up during the eighties, and up to 1992? Who really made out like bandits during the Reaganomics voodoo economics period?

To find that answer, you go to the top 20 percent of wage earning families in the country, and you see where the money went and who got ahead during the 1980's, up to 1992. You can see why this group would like trickle-down economics: Because they get the money, and then it turns out it does not trickle down to anybody else, to any degree worth talking about.

If you look at the 80-to-100 percent family income group, you will find that, on average, their incomes went up 21.6 percent. That is a big jump: 21.6 percent. Look at how large that is in comparison to the little, tiny gain here, and the loss through this 60 percent of the American population that is over on this side of the scale.

Here is where the money went, and here is where it came from. That is sort of Robin Hood in reverse. That is taking it from people who do not have very much and giving it to people who have a lot, on the theory that they will turn around and invest a lot of that money in the economy and create a lot of jobs, and everything will be fine. It turned out it was a giant fraud. It was a fiction; it did not happen. And the numbers bear it out.

But to show you how bad it really is, if you break apart the top 20 percent of wage earning families, and from that top 20 percent you take just the top 1 percent—think about this, because this means of all the families in America, you are going to take the top 1 percent of families in income. These are the people at the very highest rung of the ladder with very, very high incomes.

How did they do during this 12-year period of time? We have split them out as a separate category; this says the top 1 percent. This is the real illustration of the voodoo in voodoo economics. Notice how that crowd made out: Income is up 64.9 percent over the 12-year period of time. So this is the group that really did well over that 12-year period.

So the money was rolling uphill. It was rolling uphill to the people in that category, and the people down here were sliding backward. These people were sort of running on a treadmill. That is where the money went.

It is a terrible shame that that happened. This is just one illustration.

I want to go to two other things right now, beyond just what happened to families and their incomes, because this is the part that is the most damaging and why people, I think, in the country are so frustrated and angry and feel like they have been taken advantage of. It is one of the reasons they gave Bush the heave-ho in the last election.

Let me show you what else happened as a result of the practice of voodoo economics for that 12 years. I want to show you two deficits. I want to show you our trade deficit and then I want to show the Federal budget deficit, both of which now need to be corrected.

Let me again take the voodoo stick here. Notice how our trade deficit began worsening very dramatically during the eighties as this new economic experiment was undertaken. You will see where we went from a situation where we had a rough balance in our trade, and our merchandise trade, and you start to see this hemorrhage of deficits.

These are cumulative deficits coming down. This chart is notched in 100-billion-dollar notches. You will not see very many charts where the numbers are that big. Each one of these spaces is $100 billion. You can see what happened, as we came down from 1980 through 1984, 1987, and finally got up to 1992; these huge merchandise trade deficits kept accumulating. So by the time 12 years had gone by, we had a cumulative merchandise trade deficit in excess of $1 trillion. In fact, it is over $1.2 trillion, and it is rising every single day now, until we do something about fixing it.

This is very damaging to us because not only does that take jobs out of America to other countries like Japan, Taiwan, and Korea, and now the threat of more jobs going to Mexico, but also this is a loss of wealth. This is money leaving the country. This is money that leaves America and goes to another country to help them build their future.

We need this money here in our country both in terms of the jobs that it represents, and also the financial strength to build the next wave of economic development and jobs.

Let me go to the second deficit, which is the Federal budget deficit. That is really the central aim of the Clinton plan right now, to start to bring these Federal deficits under control, these Federal budget deficits. It is very difficult, because they are very large and have been out of control for the last 12 years; in fact, even longer than that. To start to bring them down is a difficult chore, because you have to bring them down as rapidly as you can without putting the economy back into a recession and putting more people out of work, because, if that happens, then your deficit, instead of getting smaller, starts to get even bigger.

Take a look at how the Federal budget deficits looked during the 1980's when we were practicing voodoo economics. You will see our Federal budget deficits here begin to grow. This chart is notched in 50-billion-dollar segments. So this is also a chart that deals with big numbers. You can see here, as these deficits were rising, there was a slight drop late in the 1980's, and they took off again, and up through 1992, up to a point where the actual deficit, using honest accounting, was in excess of $400 billion. I put in here on these black lines what were called the Gramm-Rudman-Hollings budget deficit reduction disciplines that were put into place that were supposed to solve this problem. You can see what a fraud they turned out to be.

Here is what Gramm-Rudman-Hollings 1 was supposed to do in terms of bringing these deficits under control. So by the time we got to 1991, we were supposed to be down here with no deficit. It turns out that when we got to 1991, we were up here. That is a pretty dramatic example of voodoo at work.

When it became obvious this was a fraud, this went into the ash can, and out came Gramm-Rudman-Hollings 2. That was supposed to bring the deficits down so we would have a balance in 1993. Lo and behold, you can see that in 1993 we are up here. This was fraud No. 2.

That went into the ash can, and we got fraud No. 3, Gramm-Rudman-Hollings 3, which was supposed to bring the deficits down like this, supposed to have us here. And you can see we are up here. So that turned out to be just as useless as anything else.

So the point here is not just the uselessness of the Gramm-Rudman-Hollings disciplines in solving the deficit problem, but the fact that voodoo economics gave you an explosion in Federal budget deficits at the same time we were getting an explosion in our trade deficits and this backward slide in incomes for most of the families in America.

(Mr. GLENN assumed the chair.)

Mr. RIEGLE. So that is the problem that we face now. Here comes Bill Clinton. He gets into the Presidential race in 1992 and, lo and behold, he wins it. There are a lot of candidates starting out early in the Democratic Presidential nominating process, and Bill Clinton proves to be the strongest candidate and the one the public prefers. He gets the nomination and goes on and wins the general election. He comes down and is sworn in, and he takes over the job as President. Where has he been before now? He has been down as the Governor of Arkansas, doing a fine job in that State, having nothing to do, by the way, with any of the decisions that created all of these huge national economic problems. He was not here, either in the Congress or in the executive branch, so he inherits those problems.

He shows up in the Presidency on the date he took the oath, in January of this year, and, lo and behold, all of these problems are on his doorstep. It would be true for any new President. It happens that the new President is Bill Clinton, but if it were Mary Smith or Joe Smith, they would have the same problems on the doorstep. He has now said, look, we have to get rid of voodoo economics. We never should have done it in the first place. We have to take it now and steer a different course. We have to bring these Federal budget deficits under control. We have to start investing for a change in our own people, so we have more job growth in America and to make up for lost time. It is a very difficult thing to do in the context of the global economy.

He also said we have to crack down on the trade abuse. As you may know, right now this administration is in the midst of very tough, hard-nosed discussions with the Japanese, who have been practicing various forms of trade cheating for many years. About half of that merchandise trade deficit I just illustrated a minute ago is just with Japan by itself. So now a framework has just been established, and we are moving with very aggressive steps to bring that trade deficit down with Japan, and that will help us.

The problem is that is not going to give us an overnight fix. Nothing will. The problem here is that with voodoo economics, if you put it in place and let it run for 12 long years, you cannot come along—I do not care who you are as President—you cannot come along in the first year, and in year 13 fix 12 years' worth of problems in 1 year. The problems are now too big for that.

In fact, I have a second voodoo stick I want to use to illustrate how big the problems are. This is the second voodoo stick sent to me from Louisiana, and this is about the size voodoo stick you need to deal with the accumulated voodoo that is in our economic system now. Here is another illustration of what happened. If you go back and look between the period of 1980 through 1993—I talked about the fact that family incomes, for the most part, were going backward during that 12-year period of time. If you look at real average hourly earnings, adjusted for inflation, between 1980 and 1993, you can see they have been dropping. There has been an erratic pattern, but the general trend has been down.

By the time we get to 1993, you will notice that it is at the lowest level it has been during that period of time. What does that mean? That means people now are working just as hard as they worked, just as many hours a week, as 12 years ago, but they are getting less for it. They are earning less. No matter how much they are putting into the hours of effort on the job and so forth, they are earning less for their efforts. That is real voodoo. That shows you what happens, and I think it is probably what George Bush had in mind when he used that label back in 1980.

It is interesting that we had another Senator here, Senator Howard Baker, much esteemed by colleagues on both sides of the aisle. He served as the ranking Republican here in the Senate,

and he also had very severe reservations about trickle down economics. He did not call it voodoo economics; he was a little more polite. Here is what he said. He said, "Look, this is a big riverboat gamble." Howard Baker comes from Tennessee, so he knows something about riverboats in that part of the country. But he was making the point that trying this economic experiment with Reaganomics, trickle down economics, voodoo economics, was a riverboat gamble. That was really a veiled warning to the country. He saw what the risks were here and wanted to put everybody on notice that, if this thing did not work, you could have a chaotic situation. That is exactly what we have come to. That is what Bill Clinton inherited, what the country inherited, and what we have to dig our way out of.

One of the chief architects of this package at the time this was happening was David Stockman. Who is he? He was previously a Member of Congress from Michigan. He went into the Reagan administration in the early days in 1981 to become the Budget Director. And as the Budget Director for the country, he was responsible for doing all of the budget projections and budget work to sell voodoo economics. It was a big job and hence the use now of the big voodoo stick.

Now, 12 years later, what does David Stockman say about what happened then when he was in charge of running the budget operation in the Reagan administration when they were putting voodoo economics in place? Well, I will say, to David Stockman's credit, he has come forward with a full confession. He has confessed that what they did then was wrong. In fact, it was not even honestly portrayed at the time, but in fact gave us a fiscal disaster of the magnitude that I have been showing here, and now it has to be confronted and corrected.

David Stockman has just written an article about this, and it was just published in the magazine called the New Progressive in the spring of this year. So this is probably 6 or 8 weeks old in terms of the article that is here.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. RIEGLE. I thank the Chair.

Let me just read one paragraph. There are many in here. Of course, the Republicans are going to be very angry at Stockman because they are going to feel he was there to help design this whole thing and now he comes along 12 years later and says it was a fraud and got the country in great difficulty. Let me give you one paragraph to give you the flavor of the danger of how far off the track the voodoo economic approach has taken us. Here is Stockman verbatim. I am quoting a paragraph in the middle of his article. He says:

> The root problem goes back to the July 1981 frenzy of excessive and imprudent tax-cutting that shattered the nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance, and their own culpability in it, ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of anti-tax venom, while pretending that economic growth and spending cuts alone could cure the deficit.
>
> It ought to be obvious by now that we can't grow our way out.

That is a fair paragraph out of here in terms of the tone of Stockman's admissions today, 12 years later. And for anybody who really cares in a serious way about what has gone wrong in our economic system, that ought to be required reading because this was a principal architect who, as I say, now has the candor to come forward to say that it has taken us way off track and we are in serious trouble and we need a plan, and part of the plan has to be to go back and get some of those tax cuts to the high income people that were given out in the early eighties which proved to be too high, both from the point of view of fairness and from the point of view of economic growth.

The tax cuts were too large for the people at the high end of the economic scale. When they get those huge tax cuts, instead of investing them back into the economy to create jobs, they did other things with that money, and we did not get the reinvestment and we did not get the jobs. And that is why so many other people in the country are now sliding backward and why there was such terrible resentment in the last election that an incumbent President was driven out of office.

Now, one of the things that we have to correct, and this is what President Clinton in his plan is doing—this is one key facet. He has said, look, he agrees with David Stockman, that the tax cuts for the people at the highest income levels above $200,000, above $1 million a year, and so forth, that the people at those levels got too much in the way of tax cuts during the 1980's. That hurt the economy, hurt everybody. And now they have to give back a part, just a part of the tax cuts that they got back in the 1980's that were too large.

So, President Clinton, to his credit has called for that. Do you know what else? So has Ross Perot. Ross Perot has also said that he thinks the tax rates on the high-income people—he certainly should know; he is in that caregory—he said they have to go up because they were cut too much during the 1980's and we are not getting the job growth, and it is not fair. And if we are going to close the huge fiscal deficit, one of the ways we have to do it is with spending cuts—and doing lots of that—and the other way we have to do that is with some revenue increases, to go back and ask those folks who got the huge tax cuts and did not invest them in the economy, to have their tax rates adjusted so they make some more of a contribution and something that is fair in relationship to the rest of society which, for the most part, has been sliding back during the 1980's.

So, Bill Clinton to his credit has addressed that issue, and he has put that issue on the table.

So when you look at the Clinton plan, what does the Clinton plan do? The Clinton plan really—I have a couple more charts here I am going by; I may come back to those in a minute—the Clinton plan says, look, we have to make a change in direction, we have to put an end to voodoo economics, the unfairness of it, the fact it is not helping our country, is hurting our country. We have to start to bring the Federal budget deficit down as fast as we can without tanking the economy, because if we go too fast and end up with the economy going back into recession, then unemployment will go up and the revenues to the Government will go down and deficits actually will start to balloon again because the economy is so weak.

So, it is a very delicate balance now to work out of the problem. You cannot work out a 12-year problem in 1 year, or even work out a 12-year problem in 5 years—the budget planning cycle with which we work.

What we have to do now is we have to take about as long as it took to get into this terrible difficulty to get out of it in an orderly way. We want to get out of it in a way that builds more jobs in America and good jobs, jobs that pay a living wage. We are not talking about jobs down at McDonalds or jobs at the low end of the minimum wage scale. We are talking about trying to foster job creation where someone who works can earn a living that is sufficient to support them and a family, because that is what our goal has to be in our country.

I think our No. 1 goal ought to be to produce enough high-quality, high-paying jobs in this country so people can work and support themselves and have a decent life and a prospect for meeting their needs as all of us need to do with respect to our family obligations.

So that is what the goal ought to be. That is what Clinton is saying.

He is saying we have to get off the old track and on the new track. And by doing so, he has said this: He lets us set for ourselves a goal to bring these monster Federal deficits down again—I use the large voodoo stick—bring the large Federal deficits down caused by voodoo economics and Reaganomics, bring them down $500 billion, give or take a bit. But that is the goal, $500 billion over the next 5 years, in contrast to what they otherwise would be.

If we did nothing or stuck our heads in the sand and said this is not a serious problem or, the problem will somehow magically solve itself, which we know that not to be the case—if we tackle it head on let us try to take it down a half trillion dollars, $500 billion over the next 5 years. That is a very good target and that is a real dose of fiscal discipline and in terms of what we saw over the last 12 years.

Some might say, well, let us go further, and some say we have gone too far. He is obviously trying to strike a balance with that.

But let me show you how it looks if we follow the Clinton plan on deficit reduction versus doing nothing and continuing along the same old Reaganomics, trickle-down, voodoo-economics path. If we stay on the path we are on now, the projections that we have from the Congressional Budget Office show that from 1993 to 1994 and out to 1998, this is how our deficits will look. Even though we made some spending cuts in the past, they are going to stay up above $300 billion and continue to rise as we go out in time.

Here is what the Clinton plan does. The Clinton plan has two parts to it. I am going to talk a second now about the first part. The Clinton plan is what you see in the blue area here, and this comes down like this. By the time we get out to 1997 we have the deficit down very substantially from where it is today, where we are starting from, or where it would be if we did nothing

Something else has to happen out in this time period to finish the job of getting the deficit fully under control. What is that? Health care reform, because health care reform now is an issue and problem of enormous economic consequence to our Nation.

There is also a huge human consequence to the need, in the unmet needs in the area of health care and why we have to have health care reform and make health care available and affordable to everybody in the country. It is a real bargain. It costs a lot more to take care of someone when they are sick than it does to spend money on preventive care to keep from getting sick. We know that. We try to practice that in our own lives, and wisely so.

Out in this time period the health care reform is going to come into place, and that is going to finish the job of bringing these deficits down to zero and down to the point where they really ought to be.

So my hope is that in taking 12 years of voodoo economics to build the deficits up to levels that nobody ever dreamed possible, including David Stockman, that over a period of time, say roughly 6 to 7 years, we can bring these deficits down, get them down to a point where they are smaller and smaller and smaller, until finally they go away altogether. That will be a tremendous accomplishment for our country.

But right now is the hardest time because now is the time we have to make the change in direction. Now is when we have to have the fortitude and the courage to say no, to getting off the old path. It was very simple to say, yes, let us just cut the tax on the wealthy, let trickle-down work and everybody will come out ahead. That was a fraud, and it did not work. It is time to change it. We have to pay our bills. We have to cut the spending in every place that we can, and it is going to be tough to do that.

We have a lot of tough cuts in there. Take, for example, the floods right now out in the Middle West. The Governor of Iowa, who is a Republican, says they need more money out there. The President offered $2½ billion to try to help. He said it is not enough, they have to have a lot more.

Well, I am not sure where it is going to come from, but I want to try to help. I think we ought to try to help. We did it for the people in Mount St. Helens. We did it for the people down when the hurricane came through Florida. So when you have a huge national disaster, we ought to try to help each other.

But there are limits to what we can afford. And there is something else that now comes crashing into the picture, but all the more reason why, when you have big voodoo of this kind that requires a bid voodoo stick, you have to have a big, strong answer to fix it, and you have to have a President who is honest enough with the American people to say what needs to be done. Fortunately, we now have that kind of President.

Now it is not all happy news. I wish it was. He is saying, "Look, we can work our way out of this. We can bring these deficits down in an orderly way. We have to make a lot of tough spending cuts." He has listed those all out. We put those in our budget document.

He said, "We have to have some more revenues." Just, as I said earlier, Ross Perot argued for it, the President said we have to go back to the people at the highest income levels who got tax cuts that were too large in the 1980's and we have to ask them to give some of it back.

We are not asking them to give it all back; not even asking them to give a large fraction of it back that they got for the last 12 years. In fact, we are not asking for any of that back—maybe we should be.

What we are saying is, from today forward, we think you ought to pay a higher rate of taxes that is more in line and fairer in terms of ability to pay than to somebody with a family that is earning $15,000, $20,000, or $40,000 and who today is carrying too much of the load and is sliding backward. And I think that is fair. I think that is what the country wants.

It is time we helped the middle class in this country and not just the people who are at the very top, not just the top 1 percent. They ran the show for the last 12 years. The people voted that out. It is time now to concentrate on the rest of the people in our society who work hard every day. They have bills to pay and families to feed and obligations to meet. They need jobs, first of all, but they need good jobs, with high incomes, and they need their Government to look after their interests for a change and not just the people at the very top.

So, we have had some people say, "Well, to talk about this is to, in a sense, talk about class warfare." We have been having class warfare for the last 12 years.

If you want to see the body count, here is the body count right here. Here is the body count of 12 years of class warfare, when you have an unfair tax system that gives the top 1 percent of income earners in this country a 65-percent increase in their incomes and gives the people further back down the line, the people in the lower 60 percent of the population, 6 out of every 10 families, in the country sliding backward and 20 percent more just barely short of treading water, even though these people, who would be probably in the $50,000 to $100,000 category, made a little bit of a gain, but it is the people at the top that cleaned house.

What is fair about that? And how has that helped America?

When you look at the huge trade deficit, you look at the huge Federal budget deficits, we have more people on food stamps in America today than we have ever had in our history. How demeaning.

I have people in my State with 10 and 20 and 39 years of job seniority who are outstanding workers, have outstanding work records, and they cannot find a job today. And then, when they are in those dire circumstances that they have to turn to food stamps, they feel awful about it. They do not want to have to be on food stamps. They want to have a job. They want to work. They desperately need the work. They have the talents and the skills, and the country needs them, and they want to work.

And that is why we have to have an economic plan that concentrates on making sure there is enough work to go around and that we turn this country in the direction of making sure our people have jobs. That is what it is about. Not more tax cuts for the people at the high-income level, many of whom are living off inheritances that somebody else earned a generation or 2 or 3 or 4 ago.

I want to do something for these people. And President Clinton wants to do something for these people. This is 80 percent of the American families right here who got virtually nothing out of

the 1980's and out of Reaganomics, except being hit over the head and are finding themselves a decade or 12 years later further behind than when they started back in 1980.

I have graduates coming out of the University of Michigan at this very time who got straight 4.0 averages, lots of extracurricular activities, with exceptional records. Their families sacrificed, as they did, to go to a world-class university to earn an education who come out now and find that they cannot get a job and are moving back in with their parents. That is not good for America. It is disillusioning for them. It is disillusioning for their parents. And we cannot settle for that. We cannot settle for that.

Unfortunately, George Bush, who was and is a friend of mine, got lost in foreign policy; loved foreign policy; had an economic plan for every country in the world except this one.

And so now he is not in the office anymore. Somebody else has been given a chance, because they want an end to this voodoo economics, and they want a chance to work.

Now I used to be in that other party. I started out as a Republican years ago. Twenty-seven years ago, I got elected to Congress as a Republican. And the theory at that time for Republicans like myself in the party was that we wanted to be for full employment. We wanted people to be able to have jobs and to earn enough to support themselves so they did not have to turn to food stamps, or they did not have to live with their relatives, or they did not have to run around the country looking for a job, living in a car or van with their family by the side of the road, because they could not find a job.

The ethic at that time was to say, "Let us concentrate on making sure that people do have jobs. Let us build the private sector of the economy."

We did not see much of that during the 1980's. We did not see that happen. We saw the jobs growing all right—we say them growing in Japan, saw them growing down in Mexico, saw them growing in a lot of other places. They were not growing here.

And that is why this 60 percent of the American families were sliding backward. And this group, even as well off as they were, was basically treading water. And it is not until you get to the top 20 percent and finally the top 1 percent to see who made out under that plan.

As I said, good for David Stockman for finally, 12 years later, blowing the whistle on this kind of economic and statistical fraud.

So, that is the problem that we face.

So, I am going to finish by saying this. The Clinton plan gets rid of voodoo economics. And, thank goodness it does. Thank goodness it does. It reduces the Federal budget deficit over what it otherwise would be over the next 5 years by a figure of almost precisely $500 billion.

That is a lot of money. That is a half a trillion dollars. And no matter how you count it, from one end or the other, that is a major effort at deficit reduction. And I think the financial markets are paying attention to it.

If you look at what has happened to interest rates, and long-term interests rates, particularly—right now, 30-year interest rates are at the lowest level they have been since we started issuing the 30-year bond many years ago. That is a helpful sign, because it shows that the cost of capital, whether it is a family trying to get a home mortgage or refinance a mortgage, or a business trying to get a loan, the cost of getting that loan has gone down because the interest rates are down and that helps us get some new lift into the economy. But it is a signal that financial markets feel it is so important that we break this pattern of ever-enlarging deficits.

And the Clinton plan does that. It also rearranges the equities involved. It says: "Look, we are going to have to go back and correct some of the unfairness of the 1980's." and I realize the people in this group are not going to like it, because they like what they have because what they have has been very good for them.

But I have talked to enough people, enough people, I might say, like Ross Perot, who are in this category who say, "Look, this is not good for America. If you got most of the families in America sliding backward, even if you are in this group and you are making great progress, that is not good for the country."

Any anybody who is patriotic and cares about the country as a whole is going to say you have to change this pattern. And to his credit, as a billionaire, he is saying this. Now, he gets ridiculed, especially by some on that side of the aisle who wish he was not saying it, because they would like to sort of maintain, at least many of them, what has been going on over the last 12 years that got us in the fix that we are in at the present time.

The President has asked for a lot of spending cuts and we are going to make the spending cuts. And they are not going to be pleasant.

Some of the people who want more deficit reduction are going to find it hard when they come back in here and say, "Well, we want deficit reduction, but just don't do the deficit reduction in my State." We have heard a lot of that.

We are going to spread it around. Everybody is going to have to be in on the spending cuts. They are going to have to be stretched across the 50 States. There is just no way around it. We have to cut the spending and we have to increase the revenues on a fair basis to close this yawning Federal budget deficit and get ourselves back on a sound fiscal track.

We also have to follow through on the tough trade practices and trade policies. We have to do it with respect to Japan, which is our worst problem. I want to just show one chart on Japan, Just so people will understand how deadly serious this problem is, because the Japanese are very good at saying that any problem we have is not their fault, it is somebody else's fault. I want to just find that chart and show it to you. Here it is right here.

If you take here, for example, the trade deficits that we have had with Japan—just one country, just the United States and Japan over the period since 1980. This is what has happened. The trade between the two countries, year by year: $12 billion in their favor, $18 billion, jumped up to $36 billion in 1984, jumped up to $59 billion—just in 1 year, 1987. It meant Japan was taking $5 billion a month out of the United States economy, every single month. Do you wonder where the jobs went? They went to Japan, just like some people want to send them to Mexico at the present time.

Look at this total since 1980: $505 billion taken out of the United States; 505 billion dollars' worth of jobs and economic strength, taken out of here, sent to Japan. That was part of Reaganomics, that was part of trickle-down economics, that is part of voodoo economics and it has hurt this country.

Thank goodness President Clinton is confronting that issue. Sure, the Japanese do not like it. They do not like to have to face up to this issue because they like this pattern and that is no disrespect to them. They have been protecting their own national interests. But when we have a weak Government here who looks the other way when we are being damaged in a bilateral trade relationship like this, it does great damage to our country and fuels public cynicism and a loss of faith in the future, and it is part of our problem. Frankly, some of the editorial writers in the country—they do not want to see this. They want to hide this.

Of course, if they were in the line of fire, it would be another story. But the fact it is somebody else losing his or her job, some anonymous person in the society—well, that is no big deal. That is just the forces of the world economy at work.

That is a lot of nonsense. This is a managed economy at work. Japan keeps their economy closed. They have interlocking relationships called keiretsu to get and keep the business among themselves. They sell the products in the United States for less than they sell them in Japan. So they use dumping as a pricing strategy in many cases in order to inflate these huge surpluses in their favor and rip economic strength out of the United States.

Reagan did nothing about it. it was not surprising, I might say, that after he left the Presidency—I am talking about Ronald Reagan now—he was invited to go over and give a speech in Japan, a couple of speeches. They paid him $2 million. There was a big uproar about it. It was very embarrassing to a lot of my Republican friends. President Bush, to his credit—President Bush to his credit—was just offered an equivalent opportunity, it was either by Japan or Taiwan or Korea, one of the countries over there, to come over and give a big speech like that with a big padded payment for it and he turned it down. He turned it down as well he should have. But it is to his credit that he did and it is quite a contrast between the two people in terms of how they saw that issue.

So, just to conclude, it is time to put an end to voodoo economics. Whether you use the small voodoo stick or you use the big voodoo stick, we have had enough of it. We have had enough voodoo. President Clinton is exactly right on that issue and Ross Perot is exactly right on this issue. We need a package here that breaks this pattern, that brings fairness back into the system, brings these Federal budget deficits under control, and invests again in our own people. That is the heart of it—investing in America, investing in the American people and not just the people at the top, but investing in everybody in our society and especially the little people because they have just as much right to a decent chance in this country as the people at the high-income levels.

Our founding documents do not make a differentation on the basis of who has the wealth and who does not. They are written without any reference to that. And they say that people in our country are equal and ought to be thought of as equal and ought to have the chance for equal opportunity to take the gifts that God has given them and their hard work and their ideas and their vision and put it to work and do something about it.

Just yesterday with the proposal on community development banks, it is exactly in that line to try to get some capital into the underserved, inner-city areas and into our poor rural areas so people there have a chance to come into the economic system. So that when they have good ideas and projects that are worthy of support with sensible loans, they can get the credit they need, they can get the capital, the oxygen they need to make an economic contribution and put other people to work.

I listened to an older gentleman yesterday, probably in his sixties or 70 years old who started a business in a small rural community in North Carolina, a little sewing company. They are now doing about $2 million of business a year. And where there was abject poverty before there are now 20 people working in that little operation because he got the credit he needed.

That is what the Clinton plan is about. That is what we are talking about. We are talking about liberating our own people, letting our economic system work, investing in America, and investing in our people and understanding that is the one enduring resource and asset that we have in this country, people who are coming along each day, and the future generations.

So I say to the President, you are doing the right thing by trying to change the direction. I do not agree with each and every thing he said. I do not agree with him on the Mexican Free-Trade Agreement. I think it is a huge mistake. We will fight that out later here. But on the effort to turn the direction and bring these Federal deficits under control and get fairness back into the tax system and investing in our people and in job growth and in fairness, that is what we need. That is what we need. And it is coming not a moment too soon.

So let us get it enacted. Let us go back into the conference, work it out. I am a conferee on the Senate side. Let us go ahead and find the balance that we need to put this plan in effect. Let us let it work, let it start to heal the economy, let it start to grow the economy. Then let us move on to health care reform.

Let us send a signal out to the American people that they are No. 1 again. That they matter most; not some other country or not some narrow group in our society but the American people across the country, from East to West and West to East, and North to South and South to North, the American people are back in the driver's seat. That is what this plan is all about and that is why it has to be enacted.

I yield the floor.

EXHIBIT 1

AMERICA IS NOT OVERSPENDING

(David A. Stockman, Director of the Office of Management and Budget from 1981 to 1985, during the first years of the "Reagan Revolution," David Stockman left office amid the lingering controversy caused by his revelations in the Atlantic magazine about the internal Administration politics which, Stockman said, would result in untenable deficits. Stockman's memoirs of those years are entitled *A Triumph of Politics: How the Reagan Revolution Failed*. He is currently a General Partner at the Blackstone Group, a New York investment house.)

President Clinton's economic plan deserves heavy-duty criticism—particularly the $190 billion worth of new boondoggles through FY 1998 that are euphemistically labelled "stimulus" and "investment" programs. But on one thing he has told the unvarnished truth. There is no way out of the elephantine budget deficits which have plagued the nation since 1981 without major tax increases.

In this regard, the full-throated anti-tax war cries emanating from the GOP since February 17 amount to no more than deceptive gibberish. Indeed, if Congressman Newt Gingrich and his playmates had the parental supervision they deserve, they would be sent to the nearest corner wherein to lodge their Pinocchio-sized noses until this adult task of raising taxes is finished.

The fact is, we have no other viable choice. According to the Congressional Budget Office (CBO) forecast, by FY 1998 we will have practical full employment and, also, nearly a $400 billion budget deficit if nothing is done. The projected red ink would amount to five percent of GNP, and would mean continuing Treasury absorption of most of our meager net national savings through the end of the century. This is hardly a formula for sustaining a competitive and growing economy.

The root problem goes back to the July 1981 frenzy of excessive and imprudent tax-cutting that shattered the nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance, and their own culpability in it, ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of anti-tax venom, while pretending that economic growth and spending cuts alone could cure the deficit.

It ought to be obvious by now that we can't grow our way out. If we should happen to realize CBO's economic forecast by 1998, wouldn't a nearly $400 billion deficit in a full employment economy 17 years after the event finally constitute the smoking gun?

To be sure, aversion to higher taxes is usually a necessary, healthy impulse in a political democracy. But when the alternative becomes as self-evidently threadbare and groundless as has the "growth" argument, we are no longer dealing with legitimate skepticism but with what amounts to a demagogic fetish.

Unfortunately, as a matter of hard-core political realism, the ritualized spending cut mantra of the GOP anti-taxers is equally vapid. Again, the historical facts are overwhelming.

Ronald Reagan's original across-the-board income tax cut would have permanently reduced the federal revenue base by three percent of GNP. At a time when defense spending was being rapidly pumped up, and in a context in which the then "conservative" congressional majority had already decided to leave 90 percent of domestic spending untouched, the Reagan tax rate cut alone would have strained the nation's fiscal equation beyond the breaking point. But no one blew the whistle. Instead, both parties succumbed to a shameless tax-bidding war that ended up doubling the tax cut to six percent of GNP—or slashing by nearly one-third the permanent revenue base of the United States government.

While delayed effective dates and phase-ins postponed the full day of reckoning until the late 1980s, there is no gainsaying the fiscal carnage. As of August, 1981, Uncle Sam had been left to finance a 1980s-sized domestic welfare state and defense build-up from a general revenue base that was now smaller relative to GNP than at any time since 1940!

In subsequent years, several "mini" tax increase bills did slowly restore the Federal revenue base to nearly its post-war average share of GNP. The $2.5 trillion in cumulative deficits since 1981, however, is not a product of "over-spending" in any meaningful sense of the term. In fact, we have had a rolling legislative referendum for 12 years on "appropriate" Federal spending in today's society—and by now the overwhelming bi-partisan consensus is crystal clear.

Cash benefits for Social Security recipients, government retirees and veterans will cost about $500 billion in 1998—or six percent

of prospective GNP. The fact is they also cost six percent of GNP when Jimmy Carter came to town in 1977, as they did when Ronald Reagan arrived in 1981, Bush in 1989 and Clinton in 1993.

The explanation for this remarkable 25 years of actual and prospective fiscal cost stability is simple. Since the mid-1970s there has been no legislative action to increase benefits, while a deep political consensus has steadily congealed on not cutting them, either. Ronald Reagan pledged not to touch Social Security in his 1984 debate with Mondale; on this issue Bush never did move his lips; and Rep. Gingrich can readily wax as eloquently on the "sanctity" of the nation's social contract with the old folks as the late Senator Claude Pepper ever did.

The political and policy fundamentals of the $375 billion prospective 1998 cost of Medicare and Medicaid are exactly the same. If every amendment relating to these medical entitlements which increased or decreased eligibility and benefit coverage since Jimmy Carter's inauguration were laid end-to-end, the net impact by 1998 would hardly amount to one to two percent of currently projected costs.

Thus, in the case of the big medical entitlements, there has been no legislatively driven "overspending" surge in the last two decades. And since 1981, no elected Republican has even dared think out loud about the kind of big changes in beneficiary premium costs and co-payments that could actually save meaningful budget dollars.

To be sure, budget costs of the medical entitlements have skyrocketed—but that is because our underlying health delivery system is ridden with inflationary growth. Perhaps Hillary will fix this huge, systemic economic problem. But until that silver bullet is discovered, there is no way to save meaningful budget dollars in these programs except to impose higher participation costs on middle and upper income beneficiaries—a move for which the GOP has absolutely no stomach.

Likewise, the "safety net" for the poor and price and credit supports for rural America cost the same in real terms—about $100 billion—as they did in January 1981. That is because Republicans and Democrats have gone to the well year after year only to add nickels, subtract pennies, and, in effect, validate over and over the same "appropriate" level of spending.

On the vast expanse of the domestic budget, then, "overspending" is an absolute myth. Our post-1981 mega-deficits are not attributable to it; and the GOP has neither a coherent program nor the political courage to attack anything but the most microscopic spending marginalia.

It is unfortunate that having summoned the courage to face the tax issue squarely, President Clinton has clouded the debate with an excess of bashing the wealthy and an utterly unnecessary grab-bag of new tax and spending giveaways. But that can be corrected in the legislative process—and it in no way lets the Republicans off the hook. They led the Congress into a giant fiscal mistake 12 years ago, and they now have the responsibility to work with a President who is at least brave enough to attempt to correct it.

The PRESIDING OFFICER. The Senator from Montana is recognized under the previous order for 5 minutes.

CUT SPENDING FIRST

Mr. BURNS. Mr. President, I understand the emotions of the time when we start talking about budgets. It seems like we spend a lot of time looking at history and we do not spend any time looking into the future or the effects of what we will have. The Senator from Michigan very ably said, yes, we cut taxes. We did not cut revenues to the Government, however. The revenues to the Government continued to rise. What we forgot to do was cut spending. We do not tax too much. We spend—we do not cut our spending.

As far as who sent the money to the Treasury, from 1977 to 1993, you will find the lowest quintile, if you break up the population in five different segments, the percentage going into the Treasury went down for the lower fourth quintile while it went up on the highest. In fact, the contribution of the top 1 percent of the wage earners had increased 2.1 percent during those years. In other words, the top 1 percent of the wage earners, from 1977 to 1993, paid 15.7 percent of the total taxes from income taxes into this country.

I went home over the weekend, the Fourth of July. I do not know who people are talking to when they go home. I sort of walk down the street and talk to the man on the street—the man who runs the small businesses, our ranchers or farmers. Being from Montana, that is all we are is a small business. I did not run into a soul who wants to pay more taxes, but I did run into a lot of folks who said take a good look at what we spend.

The conference is underway, and we know there are big differences between the House version and the Senate version. The House bill has the Btu tax, the big time unemployment tax. The Senate has the 4.3-cent gasoline tax. We may come up with a new term and find a mix in between when it all comes out—who knows?

But as far as a trade deficit—and Americans should be alarmed at this, whether they want to believe it or not—65 percent of the trade deficit in this country is energy related. Energy; gasoline. Fifty percent of our oil comes from offshore. It would not have to.

You are right, we drove those jobs out. If the automobile industry in Michigan had suffered the same decline in dollars invested and jobs lost as the energy industry has, especially in oil and gas, there would be a total outcry in this country on where is our ability to become energy independent? What happens if OPEC gets strong again? We would probably have a problem. That is another subject.

Taxes are what are going to slow us down. Every small businessman who wants to expand his business is not going to until we act on the President's request.

Every time the money starts running low in the till and people get excited about deficit spending—and they sure have. Let us make no bones about it, if we dot all the i's and cross all the t's of this plan, we still, at the end of the 5-year plan, will accumulate $1.2 trillion of new debt. That will push it up around $6 billion, and we are not cutting spending. We are not cutting any spending in this. There are no spending cuts in this. None. If there are, they are in the outyears, whatever that is. I have never been able to figure that out.

But every time the till starts to run low and we start running out of money so that we do not have any money to spend to expand Government—and it is bloated now and not working well. If you want to talk about gridlock, bureaucratic gridlock, we cannot even get a decision out of the bureaucracy so we can get on with our lives, because the Government is in everyone's lives every day. Every time we start running low on money, we—they, I should say—find very creative and innovative ways to raise taxes.

But I do not see any of those creative and innovative minds working their will when it comes time to cutting spending and making Government lean and mean and making it work as industry has done to become competitive in this world. And, yes, we are competitive.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BURNS. I thank the Chair. I will just close by saying when we get wrapped up in this thing, look at the figures.

Mr. President, I ask unanimous consent to print in the RECORD a table showing shares of total Federal taxes paid by all families.

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

SHARES OF TOTAL FEDERAL TAXES PAID BY ALL FAMILIES

[In percent]

All families (by income group)	1977	1980	1985	1988	1989	1993[1]
Lowest quintile	[2]2.0	1.6	1.8	1.5	1.5	1.3
Second quintile	7.2	6.9	6.8	6.2	6.4	6.3
Middle quintile	13.4	13.2	13.0	12.5	12.5	12.4
Fourth quintile	21.6	22.2	22.0	20.8	20.8	20.7
81 to 90 percent	16.7	17.1	17.0	16.4	16.6	16.6
91 to 95 percent	11.3	11.7	11.7	11.6	11.6	11.8
96 to 99 percent	14.1	14.5	14.2	15.0	15.0	15.1
Top 1 percent	13.6	12.9	13.3	15.9	15.4	15.7
Overall	100.0	100.0	100.0	100.0	100.0	100.0
Highest quintile	55.7	56.1	56.1	58.9	58.6	59.1
Top 10 percent	39.0	39.0	39.2	42.5	42.0	42.6
Top 5 percent	27.7	27.3	27.5	30.9	30.4	30.8

[1] Projected.
[2] The lowest 20 percent in income of the population in 1977 bore the burden of 2.0 percent of total Federal taxes. Quintiles are weighted by families.
Source: Congressional Budget Office tax simulation model.

Mr. BURNS. I thank the Chair, and I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized under the previous order for 5 minutes.

Mr. PRYOR. Mr. President, may I inquire as to the time situation remaining on the original unanimous-consent time?

The PRESIDING OFFICER. Senator DASCHLE yielded back the remainder of his time.

Mr. PRYOR. Mr. President, I ask unanimous consent that I be recognized for a period of 12 minutes.

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

BUDGET RECONCILIATION

Mr. PRYOR. Mr. President, during the first day of debate on the budget reconciliation bill, June 23, Senators DOLE, DOMENICI, and PACKWOOD offered a comprehensive budget alternative, a Republican alternative, to President Clinton's budget package.

When I first heard that my colleagues from the other side of the aisle were going to offer this comprehensive Republican alternative, I must say I was pleased. I was encouraged because I think our system works best when the majority and minority parties take the full responsibility for difficult problems and propose serious solutions.

Unfortunately, upon further examination of this so-called tax-free-in-'93 Republican alternative, I lost almost all hope that my colleagues from the other side of the aisle, despite their good intentions, were going to offer serious and meaningful solutions to our budget deficit problem.

Mr. President, on Thursday, yesterday, in the Wall Street Journal, July 15—and in moments I will ask this be made part of the RECORD—I was reading an article, and I will quote first the headline:

GOP War Cry of No New Taxes Appears to Have Broadened to No New Anything.

The first paragraph:

In drafting alternatives to President Clinton's deficit-reduction program, congressional Republicans left out not only taxes but something Americans have very much wanted lately: change.

Mr. President, the article continues by saying:

Indeed, Mr. Dole's plan underscores the potential pitfalls for Republicans in alternatives geared more toward embarrassing the President than advancing a distinctive new agenda.

Continuing the article:

The only spending cuts that Senate Republicans itemized were those contained in the Democratic plan.

Mr. President, I ask unanimous consent that this article of yesterday, July 15, be printed at the end of my statement.

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

(See exhibit 1.)

Mr. PRYOR. Mr. President, I may be wrong on some other issues, but I do believe the American people do not want just more politics, they want more solutions. Why is it that all of the polls today are showing that the American public distrusts Congress? One reason, I believe, is they believe we never seem to confront the real problems with serious solutions. Political documents like we are seeing introduced, such as the Republican budget alternative, purporting to be "serious legislation" really heighten, I think, the frustration most of the public hold toward the Congress.

Americans are tired of political games—and so am I. I hope so are all of us in this body. Let us now do what we were sent here to do: Start solving the problems in a more bipartisan manner.

Over the past 12 years, both Democrats and Republicans in the House, in the Senate, and in the White House, have sought to avoid responsibility for our increasing deficits and our increasing national debt. I am not proud of that fact. I think all of us have to assume this responsibility.

But even this week, several of our colleagues, on July 14, Wednesday morning, got up in the U.S. Senate and for page after page, and seemingly a several-hour period, continued the assault and the attack on the President's budget proposal that now is the subject of a conference between the House and the Senate, as if he were to blame for the problems we face.

I am very sorry that they have taken this avenue and this attack on this attack on this proposal because it is the only serious deficit reduction package that has been proposed in this body. Hopefully, Mr. President, our colleagues on the other side of the aisle will now finally offer constructive solutions if they think that President Clinton's plan is so bad.

We do have a new administration. That new administration is dedicated to cleaning up this mess it inherited, and also this administration has committed itself to dealing honestly and openly with the large challenges that face us.

The budget document that President Clinton has prepared, that we have voted for in this body, is a serious document. It is a serious attempt to deal with our budget deficit. The budget reconciliation bill the Democrats in this body produced is serious and a specific document of cuts and deficit reduction. The Republican alternative is not serious. Let's take a closer look at the record.

Mr. President, I have prepared a chart that takes us back 2 weeks ago to the time of the budget reconciliation debate, not only in the Finance Committee, but also in the U.S. Senate Chamber, for the period when we finally voted this measure out of the Senate and sent it to the conference.

We kept a scorecard during that several-day period, Mr. President, and in the various Senate committees, there were 12 amendments offered by the other side of the aisle. What would have happened is it would have increased the deficit compared to the Clinton plan, had we accepted the Republican amendments, by a sum total of $46 billion. This was just in the committees.

The Republican alternative which was offered by Senators DOLE, DOMENICI, and PACKWOOD would have increased the deficit by $139 billion compared to the Clinton plan. The so-called Nickles amendment striking the transportation fuels tax—brought to the floor of the Senate and offered, and our colleagues turned it down, fortunately—would have increased deficit spending by $26.3 billion versus the Clinton plan. The so-called Lott amendment regarding taxable social security benefits would have increased deficit spending by $26.3 billion. The so-called Roth amendment dealing with a small-business tax exemption offered on the floor of the Senate and turned down by the majority would have increased deficit spending by $27 billion, with no specific spending cuts as an offset.

The remaining seven germane floor amendments offered by colleagues on the other side of the aisle that were considered on the floor of the Senate would have had no effect on deficit reduction.

Please note, Mr. President, that no germane amendments were offered that included a single, new specific spending cuts. They offered no new spending cuts.

The total loss, had we accepted all of these proposals offered by our colleagues on the other side of the aisle, would have increased deficit spending over the next 5 years by $263 billion compared to the Clinton plan.

I am trying, Mr. President, the best way I know how to basically lay out the facts, to get the facts straight in order for the American people to know what is actually happening.

A little more talk about the second line on the chart here which is the Republican alternative. The question we must ask is: Does it meet the serious test? I wish it did.

If this were a serious proposal, I think our colleagues on the other side would have provided us a copy of this proposal weeks or perhaps even days in advance so that each Senator could make an in-depth and thoughtful examination of it. After all, Mr. President, the President's plan was outlined last February in a speech before a joint session of Congress, and the Senate Finance Committee's modification of the bulk of the budget plan was finalized a full week before the Senate floor debate began. It gave all of us an adequate opportunity to look at the costs, to look at the cuts, to look at the proposed taxes, and for us to prepare for that debate.

The Republican alternative, Mr. President, was given to individual Senators only minutes before we began debate on this proposal offered by our friends on the other side of the aisle. The amendment was hundreds of pages long. The first time we saw the legislative language was after it was introduced, and, therefore, Mr. President,

we felt as if this was not a serious attempt to deal with the deficit or with the economy.

During the debate on the reconciliation bill—and it was a long debate with late-hour sessions; I think finally after 3 o'clock in the morning was our final vote on the proposal on the reconciliation bill that is now in conference between House and Senate—during this debate we heard a number of concerns expressed about this bill from the other side of the aisle.

Once again, it is time to set the record straight. Let us measure the Republican alternative that they offered against their own concerns.

This is a question, Mr. President, of rhetoric versus reality. Some might classify this as a hypocrisy test, but there is a connotation of that term I do not wish upon my colleagues on the other side of the aisle. Therefore, I do not use it.

First, they said that interest savings should not count as a spending cut, as President Clinton did in his plan. But what, Mr. President, precisely did the Republican spending cut plan count as a spending cut? The answer is, yes, they counted themselves $37 billion worth of interest savings after having criticized the President for counting that in his proposal.

Second, the Republicans said that future spending cuts in discretionary programs should not count. Well, Mr. President, what did the spending cut plan offered by the other side of the aisle actually count? You are right. They counted 164 billion dollars' worth of unspecified future discretionary spending cuts in their own plan after criticizing the Democratic plan for what we had done.

The third issue. There were many complaints offered during that 2 days that most of the spending cuts in President Clinton's plan came in 1997 and 1998, which would be, yes, after the 1996 election.

The PRESIDING OFFICER. The Senator's 12 minutes has expired.

Mr. PRYOR. Mr. President, if there are no other speakers lined up at this moment, I ask unanimous consent I may have an additional 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEVIN. I am just wondering, Mr. President, and I have no objection, whether or not we might be able to line up additional speakers as part of this unanimous-consent request, whether anyone would object if I asked unanimous consent following the completion of that 5 minutes that I be given 12 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I thank the Chair. I will finish my remarks very briefly.

Mr. President, third, we heard complaints on the other side that most of the spending cuts in the President's plan came in 1997 and 1998, which would be after the 1996 elections.

In fact, that is true. That is a true statement. In fact, 62 percent of the spending cuts in the Clinton plan come in 1997 and 1998. But when the Republican alternative was offered, 65 percent of their spending cuts come, when? In 1997 and 1998.

And by the way, Mr. President, a similar complaint was that the Clinton plan did not make spending cuts quick enough. The fact is the Clinton plan cut spending in fiscal year 1994 by $18 billion. What about the other side in their proposal, the Republican alternative cut next year? That is right, $18 billion. Identically the same in the same year as the Clinton plan.

Fourth, we heard criticism of the Clinton plan for counting user fees as spending cuts. What did the Republican spending plan count as spending cuts? That is right. Their plan also included the exact same user fees that the Clinton plan proposed counting as spending cuts.

Mr. President, this is not just to say that my colleagues from the other side of the aisle said one thing while they did another. While that does bother me to some degree, I must say I am no longer surprised.

What concerns me most, though, Mr. President, is that the American public is not being told what I consider to be all of the facts. We have all heard the rhetoric. We have all received our postcards saying "cut spending first."

That sounds so easy. It sounds so simple. But it is not. It is time that all of us from both sides of the aisle tell the American people the truth because it is the truth, from both sides of the aisle, that they want to hear—the solutions to this enormous deficit, to this awesome national debt, are going to be very difficult and, yes, very painful.

The Clinton plan contains over 200 specific and difficult spending cuts and achieves over 250 billion dollars' worth of overall spending cuts. Those cuts are real. They are serious. They are real dollars. I applaud the leadership and the political courage that it took to take those specifics and put them on the table for our discussion.

The Republican alternative offers not one—not one—new spending cut in addition to those offered by the Clinton plan and the proposal that was accepted by the Senate.

My suggestion is very simple. Let us move forward. We are all to blame, Democrats and Republicans, Congress and previous Presidents, for the budget deficit that we face today. We have a large problem. It is our problem—all of us together. It is time to fix it.

If my colleagues on the other side of the aisle are willing to offer specific spending cuts, and they are willing to defend those cuts, willing to put them on the table, let us hear it. That time is now. Our plan that is in the conference has offered specific ideas. It is not too late for Members on the other side of the aisle to make constructive suggestions.

But the proposed Republican alternative is not specific. I do not believe that it is serious. Therefore, I believe it must be a hollow response to a crisis demanding hard answers and tough leadership.

Mr. President, I thank the Chair.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, July 15, 1993]

GOP WAR CRY OF NO NEW TAXES APPEARS TO HAVE BROADENED TO NO NEW ANYTHING

(By John Harwood)

WASHINGTON.—In drafting alternatives to President Clinton's deficit-reduction program, congressional Republicans left out not only taxes but something Americans have very much wanted lately: change.

Consider the proposal advanced by the nation's top Republican, Senate Minority Leader Robert Dole. It offers no general tax cuts or special business incentives to kick-start the sluggish economy immediately. It rejects the administration's new spending proposals to retool the economy in the long run. It would cut the budget deficit, but not as much as the $500 billion that Mr. Clinton calls for.

Conventional wisdom has it that the Clinton plan is a winner for Republicans. Bearing no responsibility for governing, they can stand on the sidelines, watch the Democrats squirm and benefit at the polls in 1994. "It's their baby," Mr. Dole says of the Democratic plan, adding, "Every day you get a little closer to next November."

But it was just last November that voters loudly rejected a recipe quite similar to Mr. Dole's, as George Bush can readily attest. Indeed, Mr. Dole's plan underscores the potential pitfalls for Republicans in alternatives geared more toward embarrassing the president than advancing a distinctive new agenda.

"People want to see change, says conservation analyst William Kristol, who learned the lesson himself in 1992 as chief of staff to Vice President Quayle. "The great risk" of current GOP proposals, he adds, is "you end up almost by definition supporting the status quo."

Clearly, by hammering away at broad philosophic differences between the two parties, the Republican proposals have placed pressure on the negotiations that begin this week over Mr. Clinton's program, and have helped restore the partisan edge to the tax issue that George Bush's presidency badly blurred.

But Democrats counter that the GOP plans have their own vulnerabilities, especially in their opposition to Mr. Clinton's proposed tax increases on the affluent.

"They're very big people when it comes to beating up on working women and minorities," says Clinton strategist James Carville. "But when it comes time to take on the deficit or millionaires, they shirk back. . . . It's cowardly."

The GOP plan that has earned the best reviews is the House plan drafted by Rep. John Kasich of Ohio. Using spending cuts alone, Mr. Kasich's plan would have reduced the deficit by roughly $445 billion over five years

while meeting the president's challenge that advocates of additional cuts be specific. He itemized hot-button proposals to charge Medicare beneficiaries more for services, and targeted a broad range of spending programs including federal civilian pay, military retirement, U.S. subsidies to the World Bank, support for mass transit and new oil purchases to fill the Strategic Petroleum Reserve. He would have also abolished the Commerce Department by 1998.

"This effort was done to demonstrate that you can reduce federal spending without tax increases," Mr. Kasich says.

But it also demonstrated that deficit reduction is more popular in general than in detail. Some 40 of his House GOP colleagues voted against it, a far higher rate of defection than the president suffered in assembling his all-Democratic 219-vote House majority.

In contrast with Mr. Kasich's plan, Mr. Dole glossed over details and managed to hold all but one Republican senator in line behind his plan to cut the deficit by about $410 billion over five years. The only spending cuts that Senate Republicans itemized were those contained in the Democratic plan. Still lamenting the fallout Republicans suffered in 1986 after pushing stiff deficit-reduction medicine, the minority leader relied on numerical spending "caps" to save more money beyond that. He did suggest to GOP colleagues that a Republican alternative might include a small dose of tax increases, specifically a 10% surtax on incomes of $1 million or more. But the Republicans ultimately scuttled the idea as not worth the trouble.

Such posturing leaves some budget-watchers disappointed in both parties. "There are two elements missing in the budget debate this year," says Carol Cox Wait, director on the centrist Committee for a Responsible Federal Budget. "One is candor, and the other is bipartisanship." She faults Republicans for denying the need for tax increases, and Democrats for suggesting that deep cuts in federal benefit programs, or entitlements, can wait for health-care reform rather than the other way around.

The administration and Republican approaches have some things in common, such as extending the spending caps designed in the 1990 budget deal. The GOP plans, though, would abandon Mr. Clinton's proposed investment spending. The Republicans would also go further in curbing entitlements, which everyone agrees represent the foremost engine of deficit spending. Mr. Kasich proposed cutting $73 billion from Medicare over five years, compared with the $50 billion that House Democrats have approved.

Senate Republicans would save even more. But beyond echoing the entitlement savings advanced by Senate Democrats, they never spelled out how. Instead, the GOP plan would realize Bush administration Budget Director Richard Darman's cherished goal of extending budget caps to entitlements, aiming to save $49 billion beyond the administration's proposal by capping them at current levels adjusted for population growth, inflation and an additional 1% cushion beginning in 1996.

Advocates of entitlement caps, such as Republican Sen. Pete Domenici of New Mexico, say they would goad Congress to reform Medicare to produce the needed savings. But the caps also helped the Senate GOP plan dodge the political problem encountered by Mr. Kasich.

"It didn't force anybody into very many hard choices . . . right now," says former GOP Rep. Bill Frenzel, now a budget analyst at the Brookings Institution.

Of course, the unspoken danger in the deficit-reduction debate is that persistent economic stagnation bares the emptiness of both parties' policies. In their quest to stem the red ink, Democrats and Republicans alike have largely abandoned talk of providing much stimulus to the economy.

Mr. Kristol says Republicans must take a "bolder and more aggressive stance" to restructuring government and the tax system heading into 1994. For Mr. Clinton's part, the slumping economy might even justify abandoning austerity and reviving one of his popular campaign promises.

"Next year he should ask for a tax cut for the middle class," says Salomon Brothers executive Stephen Bell, a former aide to Sen. Domenici and a deficit hawk who contends the economy badly needs a kick-start. Republicans, Mr. Bell adds, "won't know what to do."

The PRESIDING OFFICER (Mr. DORGAN). By previous unanimous consent, the Senator from the State of Michigan [Mr. LEVIN] is recognized for 12 minutes.

Mr. LEVIN. I thank the Chair.

SOMALIA

Mr. LEVIN. Mr. President, I share the concern of many Americans about recent developments in Somalia, where a U.N. peace enforcement force is attempting to restore order and protect humanitarian relief.

There have been problems with command and control of the multinational force there, and this should be of concern. But, because this operation is breaking new ground, the problems should also not be surprising. And they should not be used as an excuse for the world community to cut and run.

For the most part, the Somalia operation has been a significant success. On Wednesday, Rick Inderfurth, our Alternate Representative to the United Nations, testified to my subcommittee of Armed Services. He reported, not surprisingly, that there is anti-U.N. sentiment from the warload General Aideed and his followers in the capital city of Mogadishu. But despite violence in parts of the capital, most of the country, including Kismayu, remains peaceful.

In most parts of Somalia, the U.N. mission is achieving its goals: Food distribution has been reestablished, the basic building blocks of civil society are being reintroduced, including local governance, communications systems, and police forces. This is nation-building, of the type the United Nations is being called on to assist with around the globe, most recently in Cambodia. Ambassador Inderfurth found on his recent visit to Somalia that most Somalis welcome the U.N. forces and want them to stay to complete this work.

But that constructive work cannot take place in an atmosphere of mob violence, or where factional warlords compete for control of each road and city block.

In a hostile environment like that, where the United Nations Security Council, with our vote, has determined that the world will be engaged, military force must be available. And since the United States alone cannot be and should not be the world's policeman, we need an effective multinational military force.

It should be remembered that the United States took the lead at the outset in Somalia. Our marines and support units broke the stranglehold of the warlords on food and relief supplies and getting the food to starving people.

Then we turned over the operation to a U.N.-led multinational peace enforcement force, UNISOM II, with U.S. support units participating and our marine rapid deployment force on standby offshore. The operation is commanded by a Turkish general, with an American deputy. Their mission and mandate, which the U.N. Security Council passed and the United States supported, is to continue that humanitarian effort and begin the process of rebuilding Somalia as a civil society.

The Security Council gave UNISOM II robust rules of engagement, the authority to disarm Somali warloads if that were deemed necessary to get the work done. That was a historic decision. It is peace enforcement. The founders of the United Nations knew this capability was needed 48 years ago when they wrote the U.N. Charter and included this authority in chapter VII. But the cold war made it impossible to implement chapter VII peace enforcement. The veto and the threat of a veto from the Soviet Union was always present. But the Security Council can decide, as it has in Somalia, to authorize a peace enforcement mission.

UNISOM II in Somalia has not always gone smoothly. The atmosphere is dangerous and the challenges are intense. Mistakes have been made. Civilians have been killed in the bombing of General Aideed's storehouses, and mobs have murdered foreign journalists. Aideed is basically trying to run the United Nations out of Somalia. If the United Nations knuckles under to him, then world basically gives up on the humanitarian mission in Mogadishu, and we send a signal that one factional warload can win against the entire world.

Earlier this week, it was reported that the commander of the Italian contingent had refused to carry out orders in southern Mogadishu and was threatening to pull out his forces. He apparently wanted to negotiate with Aideed while the U.N. command had determined to isolate and arrest him.

That Italian general, Bruno Loi, has been relieved of this particular command and sent back to Italy. There was no choice. Mr. Kofi Annan, the head of all U.N. peacekeeping operations, said it best:

For an operation like this to succeed, you need unity of command, acceptance by all the contingents that orders will come from the force commander.

In order to be successful, and to sustain the support of the American people and the people of other contributing nations, this operation in Somalia must have clear command and control; troops of many nations must work together smoothly; they must have similar training and complementary capabilities; and they must clearly understand the rules of engagement. They must operate with absolutely clear goals and command structure. The only thing worse than disunity of command, as represented by General Loi's actions, is to do nothing to correct it.

Much of the danger in Somalia comes from the fact that the United Nations is learning as it goes. The United Nations is making history. That is never easy, and it carries some risk. But it is risk worth taking in order to build a working system of international security in the wake of the cold war's end.

That system needs this new tool of multinational peace enforcement. On Wednesday, my Armed Services subcommittee conducted its second long day of hearings on the subject of peace enforcement, peacekeeping, and the roles the United Nations and the United States should play.

All of our witnesses, from the Defense Department, U.S. mission to the United Nations, former military and former diplomatic corps agreed: The United States must be engaged in this effort. But they also agreed that if the United Nations is going to take on such missions, it needs to organize better and create the modern capabilities that military operations require to be successful.

Only recently has the United Nations' peacekeeping department established a 24-hour situation room for its operations in Bosnia and Somalia. It may seem shocking, but not very long ago, there was nobody to answer the phone if it rang after hours or on weekends.

The United Nations is establishing a computerized data base to catalog how many troops and how much equipment member nations could send quickly to various kinds of peacekeeping operations. Ambassador Inderfurth also testified that the United Nations is close to establishing a command center for all military and civilian peace operations.

These are the most basic building blocks of a functioning organization, and yet they are brand new. We must help create these capabilities at the United Nation so that it can anticipate conflicts, respond to them early, and prevent larger conflagrations. The U.S. mission to the United Nations, led by Ambassador Madeleine Albright, has been a strong proponent of these innovations.

But the most modern, well-staffed command center means nothing if the United States and our allies fail to muster the political will, not just to take strong stands, but to back our words up with the teeth of real enforcement.

If the community of nations proves unwilling to enforce international law, then our tough-worded resolutions become engraved invitations for aggressors, dictators and terrorists to wreak havoc with the international order. Weakness and lack of resolve on our part would invite the violation of borders, ethnic cleansing, enforced starvation, political bombings, and proliferation of weapons of mass destruction.

Do not believe for a minute that we can escape because we are oceans away, that we can pull back. The United States learned from two world wars that we cannot pull back. If we are not involved early, we get pulled in late, with greater losses than if we had acted at the outset.

If the United States does not lead our allies to give the United Nations the capabilities it needs to put teeth behind its words, and do this quickly, the United Nations will not be taken seriously, and the post-cold-war order could turn into terrible disorder.

We must not squander this chance for security the way the League of Nations was squandered. I believe that the President and the Secretaries of Defense and State understand this opportunity that the world has before it. We need their strong leadership among our allies and here in Congress.

I believe the American people understand the importance of the world standing together with force when necessary—not everywhere, not always, but where security interests or overriding humanitarian interest compel the world to act.

Somalia represents a serious test of the world's will and our will. We must not shrink from it, withdraw U.S. forces, or U.S. support. There are even tougher tests ahead. The real question is: Will the United States help provide the leadership we are capable of to make international peace enforcement work? If we are not willing to do so, then we had better resign ourselves to the consequences—wider wars and greater losses later because of our failure to learn history's lesson that the world must stand together at critical junctures.

If the nations of the world show a fraction of the support for multinational peace enforcement that we all show for our national military capabilities, maybe the world will not be doomed to endless centuries of genocide, ethnic cleansing, mass rapes, and world war.

There are some developments which should give us a little optimism. The cold war is over. We should permit the U.N. Security Council to function. The American people know that while there is a dangerous world out there, isolationism will not work. They sense that the world is too small for us to remain isolated for long even if we wanted to. The American people sense that the world needs to act to avoid conflagrations by stopping small brush fires before they spread, and that effective, organized multinational enforcement is the only way to do this. Forces must be freely offered by many nations for a multinational force to be effective. Every nation will retain the right not to participate.

Mr. President, the tragedy in the Balkans continues to spread because of the world's failure to act. God help the world and its people if, having once committed forces to act in Somalia, the world then withdraws.

Somalia will determine the direction we are going. In the dusty streets of Mogadishu, it will be determined whether the nations of this world can stand together to put out a brush fire and build a stronger world, or whether, once again, they will crumble, quake, and disintegrate before a petty warlord.

Mr. President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. I ask unanimous consent that I be allowed to speak for 12 minutes in morning business.

The PRESIDING OFFICER. The Senator is recognized for 12 minutes.

REPEAL OF THE LUXURY TAX

Mr. GORTON. Mr. President, in this morning's Washington Post, there appears an essay by a man named James Glassman, a former publisher of the Atlantic Monthly, entitled: "How To Sink an Industry and Not Soak the Rich."

The essay concerns the 10-percent luxury tax which was passed by this Congress as a part of the budget agreement in the year 1990. That portion of the 1990 budget agreement proceeded from roughly the same theory which is behind the Clinton tax program, that the rich had too much money and benefited too much from the 1980's, and that the painless way in which to reduce the budget deficit was to increase their taxes—in this case, by imposing an extra tax on certain items which were deemed to be luxuries, most notably boats and private aircraft.

The impact of that tax increase, however, is succinctly stated in the title of this morning's essay. The real impact was not on the wealthy, but on those who manufacture boats and aircraft. The rich simply stopped buying expensive boats and aircraft and put their money elsewhere.

The head of the boatbuilding industry says that about half of the losses—and those losses were roughly 50 percent of all of the extensive manufacturing in boats—could be attributed to the recession and half to the tax, and 25,000 to 30,000 "on-line blue collar

manufacturing jobs" have been lost in the boatbuilding industry. The head of that industry of the State of Rhode Island—the single State apparently hit most significantly by these losses—said that 12,000 jobs in that State alone, directly or indirectly dependent upon the boatbuilding industry, disappeared.

The impact on private aircraft is perhaps even greater. Beech Aircraft in Wichita, KS, surveyed all of its dealers and determined that there was a loss in sales of 80 aircraft, or $130 million. In an entire year or year-and-a-half, the Internal Revenue Service collected how much? Mr. President, $158,000 from airplane sales—as the essay points out, an amount of money sufficient to run the U.S. Department of Agriculture for 15 minutes.

In the first 18 months that the tax was in effect, the IRS collected not one single dollar from the sale of a King Air. And the Beech Aircraft Co. lost 34 sales totaling at least $80 million.

I ask unanimous consent that this article be printed in the RECORD at this point.

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

[From the Washington Post, July 16, 1993]

HOW TO SINK AN INDUSTRY AND NOT SOAK THE RICH

(By James K. Glassman)

Congress is still squabbling over the budget, but on one vital economic issue, Democrats and Republicans are in complete agreement: Rich people have to pay too much for their yachts.

The reason is the 10 percent luxury tax that went into effect two years ago. When you buy a yacht, this tithe can cost you a lot of money.

Just open the current issue of Power and Motoryacht, a sort of nautical-porn magazine filled with color photos of gorgeous boats. Check out the ad for a sensuous 90-foot Broward with three "oversize staterooms," including one with "his and her bath with Jacuzzi." The yacht costs $2,995,000, but, thanks to the current luxury tax that kicks in at $100,000, you have to fork over another $289,500.

Rich people aren't happy about paying this extra money. Even if they can afford it, they think it's unfair. And in some cases, they're refusing to pay it—simply by refusing to buy new boats and planes.

Of course, rich people don't have to buy a new 90-foot Broward (they can keep the old 54-foot Bertram, for instance, or buy a house in Vail, a major Childe Hassam or a minor Gauguin—none of which are covered by the luxury tax). So the federal government doesn't get the tax money—and, worse, Broward doesn't sell its yacht and various boat builders get put out of work.

As a result, in its first year and a half, the yacht tax raised a pathetic $12,655,000 for the Treasury. That's enough to run the Agriculture Department for a little over two hours. Meanwhile, the tax has contributed to the general devastation of the American boating industry—as well as the jewelers, furriers and private-plane manufacturers that were also targets of the excise tax that was part of the 1990 budget deal.

But Senate Majority Leader George J. Mitchell (D-Maine), Sen. John H. Chafee (R-R.I.), Sen. John Breaux (D-La.) and Rep. Benjamin L. Cardin (D-Md.), all of whom coincidentally represent boating states, are sailing to the rescue, and repeal of the luxury tax is included in both the House and Senate versions of the budget reconciliation bill.

What's ironic is that the theme of this year's bill is soaking the rich. Back in the summer of 1990, when the nation was still governed by the man from Kennebunkport, the budgeteers figured that the sort of people who buy yachts, private planes and jewelry and furs over $10,000 could afford to pay a little extra.

What went wrong with the luxury tax was that, in trying to go after the rich guys' toys, Congress put the toymakers out of business. The rich guys, meanwhile bought other toys (including foreign-made ones) not covered by the tax; or they bought used toys and refurbished them; or they simply saved the money, waiting to spend it another day.

The yachtsmen's friends in Congress may be right that the luxury tax is viciously unfair to a handful of luxuries, chosen almost at random (why not tax oriental rugs, trips to Paris on the Concorde or Mary McFadden gowns?). But the larger lesson may be that when you tax rich people—and President Clinton's plan will raise the tax bill of $200,000-plus families by a whopping 18 percent—middle-class and poor people suffer. Ask your local boatwright.

Just how bad is it? First, understand that because of the 1987 stock market crash and the 1990 recession, many of the toymakers were in deep trouble even before the luxury tax took effect.

Greg Proteau, a spokesman for the National Marine Manufacturers Association in Chicago, reports that U.S. production of $100,000-plus yachts peaked at 16,000 in 1987. By 1990, yacht output had fallen to 9,100. In 1991, the first year of the luxury tax, it dropped to 4,300; last year, 4,250. Employment at the two North Carolina factories of the largest luxury-boat manufacturer, Hatteras, has dropped from 1,550 to 500 since 1987.

"We started losing sales in 1989 as an industry," says Proteau. "The whole industry is off 40 percent, but the big-boat segment is off 80 percent." He estimates that about half the sales losses can be attributed to the recession and half to the tax, and that 25,000 to 30,000 "on-line blue-collar manufacturing jobs" have been lost out of a total of about 50,000 in the last three years.

Rhode Island, home state of Chafee, a former Navy secretary, has probably been hurt most. Ken Kubic, legislative chairman of the Rhode Island Marine Trade Association, says that "half of the boating businesses do not exist anymore" and that 12,000 jobs have been lost, "directly or indirectly, because of the boating tax."

He tells the sad story of Dave Walters, who for many years employed about 50 workers building highly respected Cambria racing yachts for $400,000 and up, with customers such as actor Christopher Reeve.

"The luxury tax cut off all sales," said Kubic. "The bank took his house, his car, all his business assets." The molds and tooling were sold off to a shipbuilder in Costa Rica, where, by the way, there's no 10 percent luxury tax.

Still, both the General Accounting Office and the Congressional Research Service expressed skepticism in 1992 about reports that the luxury tax was the main reason for the collapse of the yacht industry: "The cyclical nature of the luxury boat market indicates that any sales decline must be interpreted with caution," said the GAO.

People who actually try to sell boats and planes disagree.

Beech Aircraft, based in Wichita, Kan., is the largest American maker of private planes—top dog in an industry that barely exists any more (in 1978, more than 17,000 general-aviation planes were built in the United States; last year, 962). Beech in 1991 surveyed its dealers and asked them to cite specific deals that were blown because the potential buyer didn't want to pay the luxury tax. The answer: sales of 80 planes, costing $130 million.

Beech then calculated that these lost sales amounted to 480 lost plane-building jobs, worth $4 million in lost federal taxes. By contrast, between Jan. 1, 1991, and June 30, 1992, the Internal Revenue Service collected just $158,000 in luxury taxes from airplane sales—enough to run the Agriculture Department for 15 minutes.

Since planes that cost less than $250,000 and planes that were used 80 percent of the time for business (mainly jets) were exempt, the primary target of the tax—wittingly or not—was twin-engine propeller planes, like Beech's King Air. But for the first 18 months the tax was in effect, the IRS collected not a dime from the sale of a King Air, and Beech lost 34 King Air sales totaling at least $80 million.

This was not what the advocates of the luxury tax had in mind; they innocently wanted to get the rich to pay their "fair share." In fact, the richest 1 percent of Americans already foot one-quarter of the total income tax bill, but if Clinton feels compelled to soak them, a luxury tax isn't really such a terrible idea. It's probably less damaging to the economy, for example, than a higher tax rate on income, which discourages people from saving and earning.

Better than a tax on planes and boats, however, would be a tax on things that are already made—like old paintings and antiques. Such a tax won't put manufacturers out of business, but it won't raise much money either. My own favorite candidate for rich-soaking would be to cap the home mortgage interest deduction at, say, the price of an average American abode.

But the rich, who are clever as well as petulant, will probably figure a way around this one, too. They'll sell their houses and live on their yachts.

Mr. GORTON. Now, Mr. President, it looks as though we are about to take care of this problem. Several Senators from the States greatly affected—Rhode Island, Louisiana, and Maine, have introduced proposals to repeal this luxury tax on boats and aircraft. One of the primary sponsors of this proposal is the distinguished majority leader of this body, Senator MITCHELL of Maine.

Why? Because the tax did not have the impact it was supposed to have. It had an extremely minor impact on wealthy Americans, and it had a tremendous adverse impact on working Americans. But this is the paradox. Here the precise theory which so spectacularly failed in 1990 with the luxury tax is at the very heart of a proposal to impose $250 billion in new taxes on Americans over the course of the next 5 years.

The reality is that the same impact will take place. The myth is that somehow in the 1980's, these people, those

who can at least afford to buy these yachts, had a tremendous windfall and began to pay fewer taxes. According to the Internal Revenue Service, however, in 1981, the last year in which the law was the law as it was enforced in the Carter administration, the top 1 percent of such Americans paid just over one-sixth of all of our taxes.

By 1990, they paid more than one quarter of all of our taxes. Even if you go beyond the top 1 percent, the top 5 percent, the figure went from 35 percent of our taxes to 44 percent of our tax collection.

But, Mr. President, at the same time, as this Congress in its wisdom passed the luxury tax it did, in fact, increase top income tax rates. What has been the result of that increase? Curiously enough, in 1991, the first year in which that new higher set of taxes was in effect, the number of dollars from the top 850,000 income earners declined by more than 6 percent, but tax receipts from all other Americans increased by somewhat more than half of that amount.

The theory of tax reform during the 1980's was that if you lowered marginal rates, you could also get rid of a myriad of exemptions and preferences. We did exactly that and lowered marginal rates and increased the share of taxes paid by the wealthiest Americans.

We now have two instances, two precise instances, in the course of the last 3 years in which the attempt either to raise those rates to impose a special tax on some kind of purchases has not only resulted in increased tax collections from those groups but has reduced tax collections from those groups. Yet that is precisely what we are asked to do by the President of the United States and by the bills passed by both the House of Representatives and by the U.S. Senate.

With three examples in the course of the last decade, the lowering of marginal rates in the early 1980's, increase in marginal rates in the late 1980's and the luxury tax, with three examples of the impact of these tax policies in front of us, what possible explanation, what possible rationale is there to believe that this tax proposal will, in fact, result in increased tax collections to any significant degree?

We have carried on this debate, this Senator believes, on false premises. We have carried on this debate on the premise that increasing tax rates will have no impact on the actions of the individuals who are going to be subjected to these greater taxes in spite of the tremendous impact it had in these three instances. If there is no change in their behavior whatsoever, these increased income taxes will bring in, according to the National Bureau of Economic Research, some $26 billion a year. The prediction of that Bureau, however, and its president, Martin Feldstein, is that if taxpayers are even half as sensitive to tax rates as they were when rates were being cut, just half as sensitive, rather than $26 billion a year, these new higher income taxes will bring in $4 billion a year, a dramatic, dramatic difference, Mr. President.

Deficit reduction, as the distinguished Senator from Arkansas, who was the next speaker but one preceding me, is a vitally important national goal. Equally important or more important, however, is the opportunity for Americans to better themselves. Job opportunities, promotional opportunities, the ability to start a small business and to succeed, the ability to do better in each generation than the predecessor generation, this is and must be the vital goal of economic policy of the United States, and, most particularly, in this Congress.

The Clinton plan, by choking off the source of capital for small businesses, by taking a good 50 percent of all of these increased taxes out of the retained earnings of small businesses in the United States, will have exactly the opposite impact. It will slow economic growth. It will increase unemployment. It will choke off career opportunities and, of course, when it does that, it will not reduce the deficit because the base on which those taxes are to be collected will become smaller.

We have no instance—and the President has given us no instance—in the history of this country in which a huge tax increase has caused prosperity to break out, has created and enhanced economic opportunity. Our entire history, and most particularly the history of the last 10 years, clearly indicates that it will not have this impact this time.

We do wish to take up the challenge presented to us by the Senator from Arkansas. This Senator regards it as something of a paradox that he criticizes the Republicans for having an alternative in which most of the spending cuts took place after the end of the Clinton administration, though it was taken directly from the proposal which is before us right now and on which the conference committee is working its will.

I am convinced that I speak for all Republicans in expressing my deepest conviction that this proposal is bad for the country; that the President has aimed an arrow at the wealthy and will, if he is successful, hit the working middle-class square in the heart.

The appropriate response of this Congress, Republicans and Democrats alike, is the rejection of this tax proposal and a new start with the President working out a new beginning with Republicans and Democrats together, first, to bring spending under control and, second, and very definitely secondary, only after we have sharp reductions in the growth of Federal spending to consider whether or not additional revenues are needed.

This is the lesson of the 1980's. Let us pray that it will not be the lesson of the 1990's by the passage of a reconciliation bill like that in either the House or in the Senate.

The PRESIDING OFFICER. The time of the Senator has expired.

The Chair recognizes the minority leader, Senator DOLE.

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

The PRESIDING OFFICER. The Senator is correct.

(The remarks of Mr. DOLE pertaining to the introduction of S. 1256 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOLE. Mr. President, I ask unanimous consent that I may extend my leader's time for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, the Senator is recognized for an additional 5 minutes.

THE FLOODING IN THE MIDWEST

Mr. DOLE. Mr. President, this morning we were in agriculture hearings with reference to the flood.

I understand that in the Presiding Officer's State last night, you got drenched all across the State. So now North Dakota joins South Dakota, Kansas, and Nebraska, the four States that have not yet been declared disaster areas; a couple of our counties have. So we are working on that.

I know the Senator from North Dakota is alert to that, and on top of that. As everybody indicated in the committee, this is a totally nonpartisan issue, one that we should all work on together. I am certain that will happen, as it has in the past.

So I thank the Presiding Officer for the help I know he will give in the next few weeks.

MIDSESSION REVIEW

Mr. DOLE. Mr. President, the White House magic act continues. Yesterday, facing a legal deadline for submission of its midsession review, the White House told reporters that the deficit for this year may be as much as $37 billion lower than expected. The last time I checked, a White House press briefing did not qualify as a full report to Congress. It is just a public relations gimmick.

There is no excuse for delaying release of information that the American people and Congress should have before anyone votes on the biggest tax increase in the history of the world. Now, I can understand why the White House wants to hide the lower deficit figures. This new information blows the administration's cover for the biggest tax increase ever.

Yesterday the President urged Congress to base this deficit reduction

package on "hard numbers and good figures." I could not agree more.

Let us not forget that it was President Bill Clinton who said in a televised address to the Nation back in February, that he could not deliver on his campaign promises to cut the deficit in half in 4 years, support $3 in spending cuts for every dollar of tax increases, or provide the middle class with a tax cut because "the deficit has increased so much beyond my earlier estimates and beyond even the worst official Government estimates from last year."

Now if the deficit is no longer as bad as he thought it was, the American people have every right to ask if their taxes should be increased so much by the President and congressional Democrats.

NOT A PARTISAN ISSUE

My colleagues on the other side of the aisle are quick to point the finger at Republicans for being unduly partisan. This should not be a partisan issue.

The vote on this conference report may be the most important vote we cast in this body this year. No other vote will have a greater impact on the economy.

Every Member of Congress—whether Democrat, Republican, or Independent—should demand that the administration provide us with the best possible information about the status of the budget and the health of the economy before the conference on the budget reconciliation bill completes its work.

RESPONSE TO SENATOR MITCHELL

Mr. President, Senator DOMENICI has offered an important amendment. His sense of the Senate amendment states that the President should submit his midsession review of the budget by no later than July 26.

The administration was required by law to submit its midsession review of the 1994 budget to Congress yesterday. There is no penalty for missing this legal deadline, but OMB Director Panetta's decision to delay release of this important document sends the wrong message to all Americans who are concerned about the future of this country.

Last night, the distinguished majority leader suggested that those who support the Domenici amendment were doing so for purely political reasons. The basis for his argument was that in the last 12 years, he could not find one instance where a Republican Senator complained that a Republican President failed to submit the midsession review—and I quote: "precisely on schedule."

The majority leader concluded by saying:

> This transparently political effort ought to be seen for what it is and rejected for what it is.

Well, someone has given the Senator from Maine some bad information. I want to set the record straight.

According to the CONGRESSIONAL RECORD, the author of this amendment, Senator DOMENICI, signed a letter to then OMB Director Jim Miller on June 22, 1988. This letter was also signed by former Senator CHILES who was then serving as the chairman of the Senate Budget Committee. Both the chairman and ranking member of the House Budget Committee—former Congressmen Bill Gray and Del Latta—also signed the letter.

The letter opens:

> We are writing you because of our concern for timely submission of the President's midsession review of the 1989 budget.

It concludes by saying:

> We are therefore expressing to you our concern that last year's delay not be repeated and that the statutory requirements for this report be met.

I read those comments as being critical of the Reagan administration's delay in submitting its midsession review.

It is not unreasonable or partisan to expect that the administration provide Congress with legally required reports on time. If there is an unexpected delay, then the appropriate committees should be notified in advance on a bipartisan, bicameral basis. Any administration official who decides not to provide Congress with a legally required report should notify Congress of this decision, in advance and in writing.

REPUBLICAN COMMITMENT TO DEFICIT REDUCTION

Republicans are not suggesting that we do not need to reduce the deficit. I have been a strong advocate of deficit reduction for years, and I have the record to prove it. But, that does not mean we need a record tax increase.

Republicans are so convinced that the President's tax-now, cut-spending-later plan is the wrong approach that we think a full administration report on the economy and the budget may help us get the votes we need to defeat the Clinton plan.

If we are successful in blocking this plan, the President can count on help from Republicans in crafting a real deficit reduction plan that works.

I urge all of my colleagues—Democrat and Republican—to support the Domenici amendment.

Mr. President, late last evening, we had discussion—in fact, for some time yesterday—on the administration's so-called failure to submit the midsession review.

It was said later, "Well, Republicans were in charge and Republicans never complained about a midsession review being late."

As I said before, that is not totally accurate. In fact, I will include in my statement a letter from Senator Chiles and Senator DOMENICI in 1988, when they wrote to the OMB Director at that time, Mr. Miller, complaining that the midsession review was late and indicating that, because it was late, it was very hard for the people trying to get all this together if we did not have the latest economic information to make appropriate judgments.

Right now, the question is, what is the deficit? Is the deficit $25 billion smaller than predicted earlier, or is it $37 billion, or is it $50 billion? And if it is $50 billion or $37 billion or $25 billion, then we ought to know it before we complete action on the so-called economic package or reconciliation bill, because perhaps it is not necessary to raise taxes another $25 billion or $50 billion if the deficit is down.

The reason I understand it may be down is because the Government has not spent the money as quickly or as rapidly as they thought on some Medicare programs, on Medicaid programs, on bailout of depositors in thrift institutions, and also because there have been more revenues coming in.

So if the deficit is less, why keep it a secret? Why not tell the members of the reconciliation conference—over half the Senate and over half the House, and we all have to make judgments—precisely what the deficit is?

It seems to me that one concern a lot of people have is if, in fact, we increase taxes too much, it will have an adverse impact on the economy.

So if we do not have to increase it, $50 billion can be taken out of the tax package—primarily a tax package, the largest tax increase in the history of the world—and I think it would be a positive sign. It would help the economy. It would send a signal to the businessmen and businesswomen in America, particularly small business men and women, that we are not going to tax you as much as President Clinton urged earlier.

So it seems to me that this is a problem that ought to be addressed.

Let me reiterate, back in February, President Clinton said:

> The deficit has increased so much beyond my earlier estimates and beyond even the worst official Government estimates from last year.

The truth of the matter is, the deficit figures have changed since then. As it turns out, the deficit may be lower than what was suggested in February.

All we want to know is: What is it? How much less is it? So if it is no longer as bad as what he thought it was, the American people have every right to ask if the taxes should be increased so much by the President and those in Congress who will vote for the tax increases.

I want to point out that this is not a partisan issue, as I indicated earlier. The vote the conference will have on this big, big tax package will be a very important vote, and every Member of Congress, I think, whether Democrat

or Republican, ought to demand the latest information.

If this administration or some other administration has information about the status of the budget and health of the economy, it should not be kept from the Congress, especially when we are trying to decide how far to go on taxes and how far to go on spending restraints.

So we will have an opportunity on Tuesday to go on record as to whether or not we think the American people are entitled to this information, and whether it ought to be made public and made public in detail.

There is not any penalty for missing this deadline. The White House can stiff you on this, if they wish. There have been times when Republican Presidents were late. We are prepared to wait a while for it. Just keep in mind, the conference wants to complete its action, I assume, by August 6.

Last night, the distinguished majority leader suggested that those who support the Domenici amendment were doing so for political reasons. He said he could not find any case where Republicans had complained in the last 12 years about late submissions of midsession reviews. And, as I have indicated, according to the CONGRESSIONAL RECORD, the author of this amendment, Senator DOMENICI, along with Senator Chiles, on June 22, 1988, wrote a letter asking about the midsession review; also former Congressman Bill Gray and Congressman Del Latta, who was the ranking Republican on the Budget Committee—Bill Gray, a Democrat, was chairman of the committee—also signed the letter.

The letter opens:

> We are writing you because of our concern for timely submission of the President's midsession review of the 1989 budget.

And it concludes by saying:

> We are therefore expressing to you our concern that last year's delay not be repeated and that the statutory requirements for this report be met.

So it has happened before. It has been bipartisan. There was a letter, as I said, signed by two Republicans and two Democrats. It just seems to me that it is something that ought to be furnished, on the basis of the information it contains.

Again, if anybody believes that we ought to raise the deficit if it is $50 billion smaller, if we should still add $50 billion more in taxes, I think that would be a big mistake.

Mr. President, I ask unanimous consent that the letter on the midsession review submitted by Mr. Chiles in the July 14, 1988, CONGRESSIONAL RECORD be printed in the RECORD.

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

CONGRESS OF THE UNITED STATES,
Washington, DC, June 22, 1988.

Hon. JAMES C. MILLER III,
Director, Office of Management and Budget, Old Executive Office Building, Washington, DC.

DEAR MR. MILLER: We are writing you because of our concern for timely submission of the President's Mid-Session Review of the 1989 Budget.

Title 31, United States Code, section 1106(a) requires submission of this report before July 16. Last year, the report was not submitted until August 17, when Congress was not in session as a result of the statutory August District work Period.

The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (P.L. 100-119) specifies a crucial role of the Mid-Session Review in the calculation of excess deficits. The August 35 report required under that Act must use economic and technical assumptions specified in the Mid-Session Review, and the Mid-Session Review must provide an estimate, using those assumptions, of the deficit excess and net deficit reduction that will be reported on August 25. The joint explanatory statement of the committee of conference accompanying the Act states: "It is imperative that the Director of OMB actually deliver this mid-session report by July 15. . . . The mid-session review is expected to be issued by the statutory deadline for that report" (House Report 100-313).

The Congress will be handicapped in its efforts to achieve deficit reduction and avoid sequestration if we do not have the Mid-Session Review on the required date. It is essential that as much information as possible about the amount of deficit reduction required to avoid sequestration be available to the Congress as it works on budgetary legislation during July and August. We are therefore expressing to you our concern that last year's delay not be repeated and that the statutory requirements for this report be met.

Sincerely,

House Budget Committee:
WILLIAM H. GRAY III,
Chairman.
DELBERT L. LATTA,
Ranking Minority Member.

Senate Budget Committee:
LAWTON CHILES,
Chairman.
PETE V. DOMENICI,
Ranking Minority Member.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A NEW SURVEY

Mr. DOLE. Mr. President, I also want to have printed in the RECORD a survey taken this past week of business men and women which shows that 49 percent of the executives surveyed believe they will be forced to raise prices to make up for the tax increases; three-quarters predicted higher tax will make their profits drop a great deal or somewhat; and 51 percent said they are likely to lay off workers—this is serious—because of all the taxes in the Clinton package.

There is another figure I think should be of interest. It says, "In fact, the optimism which the private sector faced Clinton's inauguration has almost completely evaporated. In January, 70 percent of the country's business leaders thought the economy would improve in the next 4 years. Today that figure is only 18 percent. Three-quarters believed their own company's fortunes would get better in the same time, but now only half feel that way."

I think this is another indication. It is not from some Republican organization. It happens to be from an independent survey of business men and women. I ask unanimous consent to have that printed in the RECORD.

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

TAXES, LAYOFFS IN OFFING IF CLINTON TAXES PASS, POLL FINDS

NEW YORK.—Half the country's business leaders say they will raise prices and lay off workers if the corporate tax hikes President Clinton has proposed become law, a new survey has found.

According to a poll conducted for The Nightly Business Report and Reuters by Yankelovich Partners Inc., many top executives are so resistant to the proposed taxes that, faced with the choice, they would rather see entitlement programs cut or the deficit remain at its current level than tolerate a tax increase—even though six in ten say the deficit is the country's leading economic problem.

Despite their concern for the deficit, 48% of business leaders think higher taxes would do more economic damage than allowing the deficit to remain at its current level.

Executives say Clinton's tax increases are unpopular for a reason: they expect them to hurt. Forty-nine percent of the executives surveyed say they'll be forced to raise prices to make up for the tax increases. Three-quarters predict that higher taxes will make their profits drop a great deal or somewhat. And 51% say they are likely to lay off workers if corporate taxes are raised. However, 54% don't expect the taxes to affect their ability to compete in international trade.

The Nightly Business Report/Reuters poll found a notable drop in business confidence in the economy, particularly on the employment frontier. In January, 46% of American companies expected to hire more employees in the coming year. But today, only 26% expect to expand their workforce since Clinton has made his plans for the economy clear.

In fact, the optimism with which the private sector faced Clinton's inauguration has almost completely evaporated. In January, 70% of the country's business leaders thought the economy would improve in the next four years. Today that figure is only 18%. Three-quarters believed their own company's fortunes would get better in the same time, but only half as many feel that way now.

The business community places much more emphasis on the deficit than the general public does, and it favors far different remedies

for it. A majority of executives (55%) think that cutting the deficit is more important than creating jobs and stimulating the economy; just a quarter of other Americans agree. And unlike executives, the general public prefers an energy tax to entitlement cuts. Perhaps as a result, Clinton's historically low approval rating among the general public is still 22 points higher than it is among business leaders.

The telephone poll of 381 senior executives at companies with more than $1 million in sales or revenue was conducted by Yankelovich Partners Inc. between June 21 and July 6, 1993 for the Nightly Business Report and Reuters. The sampling error for the results is plus or minus 5%.

THE DEMOCRATIC MESSAGE

Mr. DOLE. Finally, I will have printed in the RECORD what I understand is from, I assume, the Democratic National Committee. It is entitled "Hallelujah! Change Is Coming." And the change is higher taxes. That is the change that is coming. They say, "It has the largest deficit reduction in history." That is disputable. "It has the largest spending cuts in history," it says. I do not know when they start. Many of them do not happen until after 1996 and there are not many spending cuts in the package. They do not even mention taxes. It says that it is going to increase over 8 million jobs in the next 4 years; going to make it easier for business to grow; it has new targets for business incentives and this is good news and, "Hallelujah! Change Is Coming."

You will not have any change left after this tax bill. It seems to me there is not one word in here about big, big taxes in this package. It is hardly truth in advertising. I would hope those who receive this "Hallelujah, Change Is Coming," from the Democratic Committee or wherever it originates—and they talk about 12 years of finger pointing, I hope they at least go through and say, "Gee, there must be at least $1 of new taxes somewhere in this great package President Clinton has proposed."

So I think it is the kind of smoke and mirrors we have been receiving. I think it belongs in the CONGRESSIONAL RECORD. I ask unanimous consent it be printed in the CONGRESSIONAL RECORD so we will be able to look at it 5 or 10 years from now and see the final result.

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

The Economic Message

The Democratic message for reconciliation is simple:

HALLELUJAH! CHANGE IS COMING

In those four words we convey the two central concepts we need to communicate to the American people: This is good, and this is change.

1. This is good—The economic plan we are passing will be good for the country, good for the economy, and good for the middle-class working families who've been getting the shaft for too long. There are several specific facts and facets of the plan you can use to convey a sense of hope and optimism about this plan:

A. This plan puts us back in control of our economic destiny. After 12 years of finger-pointing, we're stepping up to the plate taking responsibility for the economic strength of this country. This plan is good news for the economy:

1. It has the largest deficit reduction in history;

2. It has the largest spending cuts in history;

3. It puts America's economic house in order;

4. It makes it possible for America to grow again, for our economy to expand again, by finally paying down the deficit that has been choking-off jobs and growth, and by shifting the federal budget away from wasteful spending and toward sound investment.

B. This plan will create jobs, 8 million of them over the next four years. Permanent, productive, private-sector jobs. This plan is a job generator because:

1. It makes it easier for business to grow. If we keep interest rates at their present low level for the rest of this year, we will have pumped $100 billion of new private sector capital into the economy.

2. It has targeted new incentives to encourage business—especially small business—to create new jobs.

Mr. DOLE. 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. LIEBERMAN. 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. LIEBERMAN. Mr. President, I ask unanimous consent I be allowed to proceed in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 10 minutes.

CRIME

Mr. LIEBERMAN. Mr. President, on Wednesday of this week, a young firefighter in Bridgeport, CT, was shot in the leg while he fought a fire engulfing a 12-family home. The fireman, Erik Boone, kept fighting the fire for 20 minutes after being hit. I pray for his successful recuperation, but I share with his colleagues a sense of outrage at what happened. As Fire Lt. George Bryant said, "We are defenseless out here. We can't shoot back. A tough job is just getting harder."

"A tough job is getting harder." That phrase could apply to the lives of many people in America's cities and in our suburbs and small towns as well. The job of living, of making ends meet, of survival, is getting harder because of crime—the perception and the reality of crime.

Mr. President, while I was home in Connecticut last week, in one weekend three people were killed in my home city of Hew Haven, CT; two in Bridgeport; a young child killed in Stamford; stories of a horrible crime of a group of adolescent males circling an adolescent female at a pool in New York City, molesting her sexually; stories of two mothers in New York leaving their homes, one as I recall going to get groceries with a small child in her hand, caught in a crossfire, gang warfare; one of the mothers killed right on the streets on her way to a grocery store.

Mr. President, this has to stop. We are understandably focused at this hour in this Congress on the budget deliberations, the serious deficit that we have in our Federal budget, concerns we have about the slowness of the recovery of our economy, loss of jobs by people. But I will tell you, Mr. President, that unless we get together, government—Federal, State, and local—and citizens and do something to stop the lawlessness on our streets throughout our country, people are not going to have the courage to go out of their houses to worry about the economy, to spend their money, to go to their jobs.

Because our prisons are so crowded, we have heard of judges sentencing more and more criminals to the confines of their own homes. That, in effect, is the kind of sentence being imposed on more and more innocent Americans. So many of our neighbors, particularly the vulnerable—the elderly among us—are prisoners in their homes while the world outside becomes a forbidden zone.

The outrageous crime of shooting a firefighter is sadly but one of many terrible crimes occurring throughout this country and I say, to bring it closer to home, throughout the State of Connecticut.

The police report on any given night reveals a madness that is loose in our society. Consider these stories, all of which were reported in Connecticut in just this month alone:

A man in Farmington, a peaceful suburb, is stabbed with a meat cleaver.

A man is arrested in rural small town Ellington, CT, for trying to run over two police officers.

A cab driver is threatened by a passenger with a hypodermic needle. The passenger wanted the cab driver to take him someplace to buy drugs.

Police in Hartford, CT, stopped two gangs from assassinating a police officer.

A 7-year-old girl in Stamford is murdered, three men are charged with the crime.

Mr. President, there are a lot of reasons for the explosion of crime in our society. Drugs are clearly a problem. But it goes beyond that: The collapse of so many families in America, the failure of our schools, the decline of religion, the loss of values, the shortage of jobs.

The war on crime is not going to be won with a single magic bullet. It has

to be fought on all fronts, and it has to address all the factors that I have described. But I rise to say that we cannot neglect the traditional foundation tool of fighting crime, and that is strong law enforcement. I hope that this will be the session of Congress—and as soon as possible—when we will rise up and strengthen the role of the Federal Government in assisting the heroes, the police at the State, county, and local level and all the other law enforcement personnel who are trying to bring order to our society.

It is imperative that we adopt a crime bill, and a good one, a tough one, in this session of Congress. In the hopes of stimulating debate, being part of that process, I intend soon to introduce a series of anticrime measures of my own, which I would like to briefly outline for my colleagues in the Senate today.

First, I think we have to look at the creation of a Federal rapid deployment force, a cavalry of sorts, that can be dispatched into any community of this country at the request of local authorities to provide short-term backup for the local police force when it is confronted with a crime emergency.

My hope is that this rapid deployment force would be a highly trained, equipped, and motivated force. It would be specially designed to meet some of the unbelievable challenges that local police forces face today, often in the kinds of small towns or middle-size cities where they have had no experience in meeting these challenges. I speak of gang war, or even riots, criminal unrest.

Mr. President, I envision this force being sizable enough to have a visible deterrent effect to give people the security they need to walk the streets fearlessly again.

I recall—this is not necessarily the model but, in some ways, it is the inspiration for this idea—in the days preceding the decision in the second Rodney King trial in Los Angeles, that the National Guard was called preventively into some of the neighborhoods of Los Angeles. It had a remarkable effect. People came out of their homes. They were sitting confidently on their porches. They were walking in the streets. They said they had not felt that secure in a long time, and the security came from the presence of law enforcement personnel.

I know there will be critics of such a force, but I fully suspect the biggest supporters of this idea will be the people who live in those neighborhoods where crime has taken over. It is they who would welcome the arrival of a Federal strike force with hope and open arms just, may I say, as the cavalry was received at an earlier time in our history by settlers on the western frontier.

Second, enactment of a police corps program. I was glad to join several of my colleagues in sponsoring police corps legislation in 1989. I continue to believe this program makes sense. It has the potential to take 100,000 of our best young people after their education and put them on the streets of America to support the local police forces.

Third, I hope we will expand a program known as SHOCAP, which is the Bureau of Justice Assistance's Serious Habitual Offender Comprehensive Action Program. This Federal program recognizes a reality that every local cop, every local police chief will tell you: That it is relatively few criminals, often young ones, who are responsible for a significant percentage of crimes. This program, SHOCAP, trains and helps local authorities to target this one-person, sometimes few-person crime wave to take them off the streets with the aim of putting them behind bars.

Fourth, I think we have to study antiloitering laws to see if they can be made more effective in fighting crimes. Court decisions have gutted such laws in the past, but I believe if properly designed, they can remain an effective tool for putting particularly open-air drug markets out of existence. There is no reason to allow such criminal activity to exist so openly, so brazenly to terrorize law-abiding people in the neighborhoods of America.

Fifth, we have to strengthen our gun laws. I continue to support the Brady bill. I also think the Federal Government should encourage States to enact tough, mandatory imprisonment laws for the use of guns while committing a crime, by making receipt of Federal law enforcement funds contingent on States having such laws on the books. I believe we must have laws that require a mandatory jail term for career criminals who use or possess firearms in the commission of crimes.

Sixth, I hope we will create a program or build on a program called LEEP that is aimed at encouraging retiring military personnel, as we build down our Armed Forces, to join local police forces. Many of these people possess very important skills that can serve them and our communities well in the line of police duty.

Seventh, I would like to see us provide grants to States to establish victim notification procedures, to help the victims of crime keep track of what happens to their attackers and, in that sense, to be a presence in the courtroom, encouraging prosecutors to pursue cases and to achieve the toughest penalties possible.

Eighth, we have to develop a plan for using abandoned military facilities—some of this is going on already; I hope we can expand it—to house prisoners in order to alleviate the critical shortage of prison space that exists in most parts of the country.

Nine, I hope we will take a look at a new program to give Federal grants to our States to help them build prisons. Again, Mr. President, you talk to the policeman on the beat. Too often when they arrest a person they are convinced has committed a crime, they know that person is not going to end up in jail. And do you know what? The person arrested knows that, too, because there is just not enough jail space.

And finally, 10th, I think it is time for us once again to create a national commission on violent crime. We have not had a serious, thorough examination of this problem since the Kerner Commission in the 1960's. An awful lot has changed in our society in the time since then. The level of violent crime has gone up dramatically, unacceptably. I think it is time for us to take a look in an organized way at this problem and decide as a nation that we are ready to do something about it.

Mr. President, I offer these ideas in the knowledge that they alone will not be enough to turn the tide of violence sweeping our society, but I offer them with confidence that they can make a positive difference in the lives of the millions of ordinary, law-abiding Americans, the silent majority out there that lives too often in fear today and that deserve a Federal response to what has become an overriding national problem, a problem that threatens our sense of security today more than any foreign enemy.

Mr. President, I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, I ask unanimous consent that I may be allowed to proceed for approximately 10 minutes.

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

ALTERNATIVE SENTENCING

Mr. NUNN. Mr. President, I first congratulate the Senator from Connecticut on his presentation about crime. I know he has tremendous experience as an attorney general and has taken a great interest in the whole problem of violent crime in America. I admire him very much for his remarks and would like to identify myself with his remarks.

I do think, on the latter point that the Senator from Connecticut made about prison space, we not only have to have an assurance that we can put people who are dangerous to society behind bars, but given the budgets and the cost of keeping people behind bars we are going to also have to examine alternative sentencing for people who are not dangerous to society. Indeed, we have people behind bars now, who

are costing the taxpayers $20,000 to $25,000 a year, who may, indeed, not be dangerous to society.

So we are going to have to look at both ends of this. Prison space now is too short and the policemen are absolutely right in being frustrated in that they make arrests of what they believe to be dangerous criminals who have no way to be put in jail because the combinations are not there.

I have talked to an awful lot of judges, some DA's and some law-enforcement officials who believe we are keeping people who are not dangerous and did not commit dangerous crimes behind bars.

So I think we have to look at both sides of that, from a purely economic as well as societal and law-enforcement point of view.

I congratulate the Senator from Connecticut and hope to work with him on the thrust of his remarks.

GAYS AND LESBIANS IN THE ARMED FORCES

Mr. NUNN. Mr. President, the media is filled with accounts as to what may or may not be happening in the White House and Pentagon and the executive branch with respect to the issue of the restrictions on the service of gay men and lesbians in the Armed Forces.

As my colleagues will recall, the President issued an interim policy on January 29, 1993, which basically retained the longstanding restrictions on the service of gays and lesbians while eliminating questions on sexual orientation from the enlistment application. Part of that interim policy was a very important provision, which the President put in his interim order and which I felt strongly needed to be in that order, which said that even though the questions were not being asked, every new recruit would have explained to him or her the expectations of the Uniform Code of Military Justice relating not only to homosexual conduct but also to the other standards relating to sexual conduct, including the problems of sexual harassment.

So every new recruit, under the interim policy, is being acquainted with the expectations of conduct in general and also in terms of sexual conduct.

Mr. President, the President directed the Secretary of Defense to prepare a draft policy on this issue by July 15, 1993. It is my understanding that in recent days the Secretary of Defense, after detailed review and consultation with the civilian and military leadership of the Department of Defense, has presented a proposal to the President and that that proposal is now under review at the White House.

On February 4, 1993, the Senate agreed to an amendment which directed the Armed Services Committee to conduct hearings on this issue. In addition, the Senate agreed to an order which precluded amendments on this issue until July 15, 1993.

I believe that moratorium on legislation through July 15, 1993, was very helpful in providing the opportunity for our Armed Services Committee to have a fair, objective, and thorough set of hearings without the disruption of constant amendments on the floor that would have had really no legislative history in terms of committee deliberation.

Mr. President, it is my hope that any order issued by President Clinton on this subject will have a delayed effective date of sufficient length to permit congressional review and action if the Congress decides that legislative action is necessary.

Therefore, I urge my colleagues on both sides of the aisle to withhold any amendments on this issue until the Armed Services Committee has completed our action on what I think is a very important issue in the military services.

Whatever one's perspective may be, I believe that all interests will be best served if we deal with this issue through the normal established committee process with legislation that contains detailed findings and carefully considered procedures. Without these detailed findings and without a predicate for legislative action, I think the courts will have a much more difficult time dealing with this issue and the chances of any policy, however intended, holding up in Federal courts could be diminished if we do not deal with it in a careful, prudent, and detailed way.

Mr. President, next week the Armed Services Committee will begin our markup on the National Defense Authorization Act for fiscal year 1994. I am hopeful that the Clinton administration will issue a policy on this subject of gays and lesbians in the military I can support, and I am also hopeful that a majority of our committee will be able to support the proposal by the President. I am also hopeful we can adopt that proposal if it is supportable by a majority of our committee in the markup which, as I have said, begins next week.

Regardless of what action is taken by the Clinton administration in the executive branch, however, we will have to consider and act on this issue because our bill is expected to be considered by the Senate prior to the August recess. So next week is the time we are going to have to act legislatively, notwithstanding any delay that may take place in the executive branch. We have to get this in our bill if we are going to have the kind of findings that I believe are necessary as we move from the legislative area to the executive branch in terms of implementation, and we need to give policy guidelines. And I am certain there will be legal challenges. So what we do in committee will also be important to the judicial branch of Government when this matter is brought before them in the proper forum.

Mr. President, I believe it is essential that the Congress codify the policies regarding homosexuality in the Armed Forces by adopting legislative findings and by providing clear legislative direction to the executive branch and to the leadership and the men and women in the Armed Forces.

Based upon the hearings held in our committee, it is my view that any policy issued by the executive branch as well as any legislation enacted by the Congress must at a minimum be consistent with the following principles. These are broad principles, and they are not meant to be exclusive because the issue is much too complex to be summarized.

But I do think these principles have clearly emerged in our hearings as supportable by the overwhelming evidence we have received.

The first principle I would articulate today is that military service is a unique calling which has no counterpart in civilian society. The primary purpose of our Armed Forces is to prepare for and to prevail in combat should the need arise. The conduct of military operations requires members of the Armed Forces to make extraordinary sacrifices including, if need be, the ultimate sacrifice to provide for the defense of our Nation.

No. 2, the foundation of combat capability is unit cohesion. Unlike our civilian society, in the military the mission is the No. 1 priority. The unit is the second priority, and the individual is the third priority.

Mr. President, in society the individual comes first. In the military, the mission comes first. If in a quest for full societal constitutional rights in the military, which have never existed in the military, if in that quest we end up placing consideration of the individual before consideration of the mission, we are going to have an awful lot of people killed in combat, and we are going to have an awful lot of people wounded in combat. And we are going to have questionable military performance by many of our units if we replace the standing principles for years and years that have been part of our military history—that the mission comes first, not the individual.

That is what so many people do not understand about the military. But it is a cardinal principle, and it is a distinction between the military and our civilian society.

Mr. President, the third principle is that military personnel policies must facilitate the assignment and the worldwide deployment of service members who frequently must live and must work under close conditions affording minimal privacy. There is an

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awful lot that can be said on this subject. But another fundamental distinction between the military and civilian society is that people in civilian society, by and large, go home at night and they have the privacy of their homes. In many tens of thousands of military assignments, the home is the ship or the home is the tent or the home is the barracks. That is a fundamental distinction.

The fourth principle is that because of the factors that I have already enumerated, the presence in military units of persons who, by their acts or by their statements demonstrate a propensity to engage in homosexual acts, would cause an unacceptable risk to the high standards of morale, good order, and discipline, and unit cohesion that are absolutely essential to effective combat capability. There should be no change in the current grounds for discharge—homosexual acts, statements, or marriages.

The fifth principle is that while DOD policies on investigations may be subject to commonsense limitations because of the need to allocate scarce resources and to establish investigative priorities, these policies should not preclude investigations based upon any information relevant to an administrative or disciplinary proceeding.

Mr. President, despite recent media stories attributing certain statements to the Justice Department—and I have no idea whether they are accurate or not, whether someone in the Justice Department really made these statements or whether this is invented out of whole cloth; but despite these media stories and despite the statements that have been attributed to certain Justice Department people who are unnamed, about the constitutionality of various proposals in this arena, I am convinced that the principles I have enunciated are constitutionally sound and will be upheld by the Supreme Court of the United States.

No one can say what some Federal court may do in one case or the other. What we have to be guided by in terms of our deliberations is what we believe the Supreme Court will uphold on appeal.

The U.S. Supreme Court has repeatedly held that the application of constitutional rights to members of the Armed Forces is necessarily different from the rights of persons in civilian society.

Mr. President, there are many lawyers who speak on this subject and are quoted in the newspapers that I do not believe have read a number of these Supreme Court cases. It is the fundamental principle of the Supreme Court decisions on the military that there is a distinction, a significant distinction, between the individual rights in society and the individual rights when they wear a military uniform. The Federal courts on many different levels have ruled on numerous occasions that restrictions on the service of gay men and lesbians, including restrictions on acts and statements, do not violate the constitutional rights of military personnel.

Mr. President, I have come to these conclusions based upon the committee's extensive review of this matter over the last 6 months. During the Armed Services Committee markup next week of the National Defense Authorization Act for fiscal year 1994, I will be proposing, along with others, legislation that embodies these general principles.

Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, is there a time arrangement that is part of a consent agreement?

The PRESIDING OFFICER. Under the previous order, each Senator is allowed to speak for up to 5 minutes.

Mr. DOMENICI. Mr. President, I do not believe I can do this in 5 minutes. I ask unanimous consent that I be allowed to speak for 10 minutes as if in morning business.

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

MIDSESSION REVIEW

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

Mr. President, for the last couple of days I have been addressing the issue of midsession review by the executive branch of Government. I think it is too bad that my purpose has been misunderstood either intentionally or otherwise—or I should say my purposes—and that some have now chosen to speak on a personal basis about what I have said the last couple of days, and the letter that I wrote to the President and Leon Panetta with Republican leader, Senator DOLE, and others regarding this statutory requirement of June 16 submittal of an updated version of where the budget is going, and what are the underlying economic underpinnings.

Frankly, I want to speak about what I have done in the past, and what I have not done, because I have not taken the position that this is all right for Republican Presidents and not all right for President Clinton. I just want to put in the RECORD one of these.

When Senator Chiles was chairman, I was ranking member—July 14, 1988—and I cosponsored a letter with him that we then took over to the House and we got both the Republican and the Democrat leadership of the Budget Committee to sign. It essentially said what we are saying today—midsession reviews are not academic technical things. They are required by law and they give forth to the Senate and the people a very, very important set of numbers, assumptions, assessments, and the like.

I would ask that the record on this, which I have extracted, be made a part of the RECORD today, indicating what the letter said, why Senator Chiles said it was important, why I joined with him in saying it was important.

Incidentally, in this correspondence, there is an allusion to the previous year where I had objected also—I do not choose to dig up every year—but suffice it to say, I have been very concerned about compliance with midsession reviews because I think they are required by law. If an administration is not going to do it, I say to my good friend, Leon Panetta, who yesterday indicated that maybe I was not being totally forthright on this, or that perhaps I was motivated by something other than I have been in the past—frankly, I have not changed one bit on the issue. I do believe it is very, very important. And, frankly, in the past if administrations could not get it done, they used to sit down with leadership, Democrat and Republican, tell them why, and ask for some kind of an extension.

One will have to note that while President Bush did not get his in on time, they were all within a July timeframe. I believe the latest one was July 24. We are asking in a resolution pending before this body that the President do it, but no later than 10 days after the due date, which will be July 26.

I ask unanimous consent that part of the previous transcript before this body be printed in the RECORD at this point.

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

[From the CONGRESSIONAL RECORD, July 14, 1988]

THE PRESIDENT'S MIDSESSION BUDGET REPORT

Mr. CHILES. Mr. President, section 1106 of title 31 of the United States Code requires that the President must submit his midsession budget report to Congress before July 16. I have just received a letter from the Director of the Office of Management and Budget that informs me that the President will not submit this report on time tomorrow. I rise today to express my sincere hopes that he will submit this important report as soon as is possible.

The midsession budget report is not merely some academic exercise. This is the report where the OMB establishes the economic and technical assumptions it will use in determining whether the Gramm-Rudman-Hollings law will require across-the-board cuts. As amended last year, Gramm-Rudman-Hollings requires that this report must also provide an estimate of the deficit in a manner consistent with the estimates that will be used by OMB in its August 25 initial report on whether across-the-board cuts are needed. In other words, with this report, we will be able to look down the road and see if we are headed toward across-the-board cuts under Gramm-Rudman-Hollings.

It is imperative that Congress receive this kind of information as early as possible. If

the future holds across-the-board cuts. Congress and the President would need to set about as soon as possible to take steps to avoid them. This is particularly true this year, as we have a short legislative calendar and only so many days of session in which to act. As I count them, there are only 9 weeks of session left in the year after today. Those of us who worked for a month in the economic summit last year know that's not a whole lot of time when you're talking about the possibility of crafting a compromise to reduce the deficit.

We are proceeding expeditiously on appropriations measures this year. Depending on how long the President delays, we may well have completed Senate action on all appropriations bills when we receive the President's report. That would leave us with very few legislative opportunities to address the deficit problem over the remainder of the year.

And so, I call upon the President to expedite his midsession report. We look forward to receiving it soon.

Mr. President, I send to the desk a copy of a letter that Chairman Gray of the House Budget Committee, Senator Domenici, and I sent to the Director of the Office of Management and Budget plus a copy of the letter I received today from the Director and ask unanimous consent that they be printed in the Record at this point.

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

CONGRESS OF THE UNITED STATES,
Washington, DC, June 22, 1988.

Hon. JAMES C. MILLER III,
Director, Office of Management and Budget, Old Executive Office Building, Washington, DC.

DEAR MR. MILLER: We are writing you because of our concern for timely submission of the President's Mid-Session Review of the 1989 Budget.

Title 31, United States Code, section 1106(a) requires submission of this report before July 16. Last year, the report was not submitted until August 17, when Congress was not in session as a result of the statutory August District work Period.

The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (P.L. 100-119) specifies a crucial role for the Mid-Session Review in the calculation of excess deficits. The August 25 report required under that Act must use economic and technical assumptions specified in the Mid-Session Review, and the Mid-Session Review must provide an estimate, using those assumptions, of the deficit excess and net deficit reduction that will be reported on August 25. The joint explanatory statement of the committee of conference accompanying the Act states: "It is imperative that the Director of OMB actually deliver this mid-session report by July 15. . . . The mid-session review is expected to be issued by the statutory deadline for that report" (House Report 100-313).

The Congress will be handicapped in its efforts to achieve deficit reduction and avoid sequestration if we do not have the Mid-Session Review on the required date. It is essential that as much information as possible about the amount of deficit reduction required to avoid sequestration be available to the Congress as it works on budgetary legislation during July and August. We are therefore expressing to you our concern that last year's delay not be repeated and that the statutory requirements for this report be met.

Sincerely,
House Budget Committee:
WILLIAM H. GRAY III,
Chairman.
DELBERT L. LATTA,
Ranking Minority Member.
Senate Budget Committee:
LAWTON CHILES,
Chairman.
PETE V. DOMENICI,
Ranking Minority Member.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 14, 1988.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to advise that it is necessary to delay the issuance of the Mid-Session Review pending the availability of accurate data on the drought and its impact on the economy and the budget.

The drought that is currently affecting agriculture and transportation in much of the country may also affect the Federal Government's budget for FY 1989. Crop support payments, loan repayments, and sales of power from Federally-owned hydroelectric generating facilities are examples of some of the Federal Government's activities that may change because of the drought. Despite the extra efforts of the Interagency Task Force on the Drought, a reliable assessment of the potential impact of the drought will not be available until later in July.

The potential magnitudes of these changes are too important to be ignored in the preparation of the Gramm-Rudman-Hollings (G-R-H) baseline that is required to be published with the President's Mid-Session Review. The G-R-H legislation requires that the economic and technical assumptions used in the Mid-Session Review must also be used in both the August and October G-R-H reports. The issuance of the Mid-Session Review must, therefore, be delayed until better information is available about the drought and its effect on the economy and the budget.

We will submit the Mid-Session Review at the earliest possible time that meaningful data on the budget effects of the drought can be compiled into the report. I fully intend for the delay to be no more than two weeks. I trust you will agree that the special situation brought on by the drought, combined with the requirements of the G-R-H legislation limiting changes in economic or technical assumptions after the issuance of the Mid-Session Review, must be taken into account in the Mid-Session Review. I appreciate your understanding on this issue.

Sincerely yours,
JAMES C. MILLER III,
Director.

Mr. DOMENICI. Mr. President, I want to acknowledge that, dated July 15—I assume we received it this morning—a letter came to me from Leon Panetta, the Director. It has been carboned in, and the indication is it is going to the leadership here, and the so-called fiscal and tax writing committees here are getting the same letter, and similarly in the House.

The letter indicates that after the passage of the omnibus reconciliation bill, they will give us a midsession review. But for now, they gave us a series of numbers.

I ask unanimous consent that the numbers be printed in the RECORD and that the correspondence, preliminary midyear budget review, a one-page document with an attachment that has two numbers for each of the years 1993, 1994, 1995, 1996, 1997, and 1998, be printed in the RECORD, thus acknowledging the receipt for whatever it is.

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

PRELIMINARY MID-YEAR BUDGET REVIEW

Changes in the economic outlook, enacted legislation, and differences from technical assumptions in the Administration's April budget have combined to reduce the deficit modestly in all years over the forecast horizon. The changes are largest in 1993, the current fiscal year, and more modest for the five-year planning period from fiscal years 1994 through 1998.

In the current year, changes in the economic outlook are projected to reduce the baseline deficit—not including the direct effects of Administration policy—by about $2 billion. Most of this effect comes from lower interest rates; other outlays are slightly lower than expected, while revenues are very slightly lower than the original projection. Enacted legislation, especially the continuation of extended unemployment benefits, adds about $5 billion to the deficit. Divergences of spending and revenue from projected levels because of changed technical assumptions reduce the deficit by about $28 billion; virtually all of this change is due to lower-than-anticipated deposit insurance costs. (About half of the reduced deposit insurance costs relate to delayed funding, while the rest is the result of the improved economic environment for financial institutions.) In sum, the fiscal year 1993 deficit is now projected to be $285 billion, or $25 billion below the April baseline projection of $310 billion.

The following displays baseline deficits (in billions of dollars) as estimated in the President's budget released in April and in this preliminary mid-year budget review.

	Fiscal years					
	1993	1994	1995	1996	1997	1998
April budget	310	302	301	298	347	387
Prelim. mid-year	285	300	286	291	340	379

While the Administration believes that there has been some modest improvement in the deficit outlook, it by no means justifies a reduced commitment to long-term deficit reduction through fundamental changes in budget policy.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 15, 1993.

Hon. PETE V. DOMENICI,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: This letter provides a preliminary update of the deficit forecast, and consistent with past practice, states the Administration's intention to issue a Mid-Session Review upon completion of the reconciliation process by the Congress.

Please find enclosed a preliminary update of the deficit forecast. As you can see from this update, it remains critical that the President's economic plan be adopted.

Enactment of the Omnibus Budget Reconciliation Act of 1993 ("OBRA"), currently pending conference action, is certain to

cause significant changes in the budget estimates. We believe that these changes should be reflected in the Mid-Session Review. Without reflecting these changes, the Mid-Session Review will be outdated almost immediately and will not provide useful information on the budget. The Mid-Session Review should therefore, be issued after passage of the reconciliation bill so as to reflect the major changes that we are working to achieve.

We will submit the Mid-Session Review promptly after passage of OBRA, which we anticipate by early August. I trust that you will agree that the impending enactment of the reconciliation bill presents a special situation and that the results of reconciliation should be taken into account in the Mid-Session Review. I appreciate your understanding on this issue.

Sincerely,

LEON E. PANETTA,
Director.

Mr. DOMENICI. For the Senate's edification, so that one will know that a midsession review is really not one piece of paper with six sets of two numbers each for 5 or 6 years, this is the last midsession review for 1992, a very detailed document. In fact, some thought it was too detailed.

Most midsession reviews contain a great deal of information about where we have been since the President's budget submission, and what the Congress has done or not done, and what are the economic projections, if any. To say there is no need for this because we ought to wait until the omnibus reconciliation bill with all of the new taxes in it is completed—from my standpoint, if the administration would have come in and talked about it and given us some justification, that might be one thing. But there is a big difference this year, Mr. President, between why I asked for this now and why I have asked for it before, and I will just state that clearly for the RECORD.

It is obvious to the American people that the President of the United States campaigned on a completely different tax and fiscal policy plan than he asked Congress to implement on his behalf.

The reason given is principally one, which is that the deficit was bigger than he expected or than he was led to believe during the campaign. Frankly, that is all right. I argue with that, but I did not campaign. I think he should have known, and should not have been making the promises, because almost everybody knew.

The Congressional Budget Office knew it precisely. They issued a reassessment of things in August, and in November the election occurred, and in between the promises continued.

When a President makes a big issue that a deficit has changed, and thus he will change his course of action and his campaign promises and commitments, it seems that a deficit change of $30 billion or $40 billion or $50 billion—which was what it was, I believe, or thereabouts, although annually, across a 5-year span—is a big enough issue at that point, Mr. President, so the President can say: I will not be able to cut middle-income taxes. I will have to renege on my commitment on gasoline taxes and put some on. I will have to have a Btu tax, even though I, from time to time, said I was not going to do that in the campaign—all because the deficit changed.

It seems to me that a live written rumor, kind of backed up by the Congressional Budget Office—they do not have to give their report yet, so I say kind of backed up—the deficit may be $50 billion less in 1993 than expected. And that takes on a little different complexion.

This Senator never said—for those who are saying I can now settle for a $260 billion deficit or $270 billion deficit—anybody who knows me knows I am for getting it down as soon as is practicable, consistent with some sound economic policies, so we do not make matters worse. But the point is that there is a shroud of suspicion. If the deficit is $50 billion less than when the President sent his budget up, the shroud of suspicion is: Are we taxing the American people more than necessary? If, in fact, that deficit reduction is consistent over the years, we might be able to take $50 billion or so off the taxes imposed on the public.

The suspicion is, we raised the taxes when the deficit went up. Well, we do not change anything, even though not yet completed, when the deficit comes down.

Frankly, that does not mean that I have drawn a conclusion. But it does permit me to speculate. And many are now speculating on what is this kind of double standard. When it goes up, we change our practices and tax the public. But if it comes down for any reason—and we have not done anything yet—should we not reconsider? I think the facts should be on the table, in detail, before this conference finishes.

Frankly, from my standpoint, this could all have been done and done in a regular manner, in a manner that is credible not from the standpoint of whether I believe my former cohort, Leon Panetta, with whom I worked shoulder to shoulder a lot, but credible in the sense of putting real background information in, as midyear session reviews do, behind some numbers.

Having said that, let me say that late yesterday, OMB Director Panetta and Deputy Treasury Secretary Altman held a press briefing in the White House and told reporters the purpose was to discuss the new lower deficit estimates for this year, as well as the administration's unwillingness to release the midsession budget review required by law.

They admitted that the deficit for this year will be—I am going to put a number on it, because I think I can do some subtracting. The April 8 document that was sent up here as a budget—not really a total budget—says the deficit was $322 billion. Yesterday, in the press conference, it was said it was $285 billion. That is $37 billion lower. I said at various times it was between $35 and $50 billion. Some have said it is between $50 and $70 billion. I do not believe I have ever said that; $35 billion is not a small piece of change, nor $37 billion. I still believe it is going to be down more than that, but they are acknowledging $37 billion.

CBO, by the way, is suggesting that the outlook for this year's deficit is more like a $260 to $270 billion range. You can see that is substantially larger in deficit reduction than the $37 billion the administration sent. I am not suggesting one is totally right and the other is wrong, but I suggest that the issue is a big one. It is a lot of dollars.

As a matter of fact, it is interesting that the deficit will be reduced more in 1993 by no action. I repeat: The deficit, in 1993, will be reduced by no action on the part of the President or the Congress, more than the deficit is going to be reduced by action if the plans all work out. They are not coming down annually anything like $50 billion or $60 billion or $70 billion, which is what CBO estimates will happen this year.

And again, I am not saying that is a truism for each year, but do you not think we ought to know before we put this package in place?

Now, I must state the fact that the deficit is coming down is great news. Some suggested it is good news. I think it is great news. Where those reductions came from are very important.

I believe the tax revenues of the United States are going up without any new taxes. I would like to know what that number is. It seems to me the Treasury Department knows something about it already.

If the revenue is up without these new taxes, one might speculate what are all these new taxes going to be to that revenue stream? I am very suspicious in my own reading of it all and listening to economists who say you might make the revenue stream go down because of those taxes. The expectation could, according to many experts, including Dr. Feldstein, of Harvard University, former economic adviser to one of the Republican Presidents, who say these new taxes on the higher bracket will yield less revenue, not more, than expected.

Nonetheless, the fact it is coming down is good news. The fact it is going down substantially, without any action on our part, may just be a 1-year event, but it may not be. I think we ought to know that before we put this whole reconciliation bill together.

We will not know why this has occurred until after this conference has completed its work because the administration apparently does not believe

that it is important for us to know before we start this new, very difficult and onerous deficit reduction package on the tax side. It is predominantly taxes, and everybody knows that in terms of permanent things.

The other deficit reduction items are going to disappear, and they could be changed, but the taxes will be put on, and I am not thinking that there is very much sentiment after you put them on to change them.

So, it seems to me that what is required by law should be submitted, and we should have that. We are going to vote on it, whether we in the Senate think we ought to have it, and I have added a grace period which is consistent with the longest period of time that President Bush ever took beyond the required time, added 10 days, and that covers every one of his. Apparently, according to the White House conference yesterday, Presidents never complied with it. Well, every one of his was within 10 days, from what I can gather, and so we have said in this resolution we will do the same with reference to this President.

Again, I want to repeat the administration's refusal to do this is distressing, given the fact that President Clinton quickly jettisoned numerous campaign promises, and I have told the Senate about those, one of which was the middle-income tax cut last winter, and the reason was that the deficit was higher than when he was campaigning.

Now, we have the largest tax increase in American history, and when asked why, the administration says the deficit made us do it—the deficit made us do it. The latest estimates indicate that the deficit may be substantially less this year when we know all that is known about that and all that is discernible by the modeling and computerizing of the budget that exists within the OMB and the White House.

Secretary Altman and the OMB Director apparently have said, no, the numbers do not allow it.

What are the numbers? We do not know. They will not give them to us. They have given us a budget authority and outlay number for each year with no backup material and no real review.

So, it may very well be the case that we are about to get socked with a $260 to $290 billion tax increase, depending upon which version wins out, and we will not know what the deficit is before we start.

I hope that with this explanation today of why Senator DOMENICI is involved would be clear to everyone. I hope it would also be clear that I am very pleased that the deficit is coming down. It is a good thing. I hope it will also be clear that I have not made up my mind about what this $50 billion reduction in the deficit means for the future.

But I think there is a cloud, kind of a what is this all about, hanging over this until we get it and get it in some detail. If the administration is right that it is rather irrelevant to the future, then why do not they tell us that in some detail and maybe we can get on to the next important issue?

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. NUNN].

MORNING BUSINESS

ORDER OF PROCEDURE

Mr. NUNN. Mr. President, on behalf of the majority leader, the following unanimous-consent requests have been cleared on the Republican side.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. NUNN. Mr. President, I ask unanimous consent that the Senate proceed to Executive Session to consider the following nominations:

Calendar 277. Ada E. Deer, to be an Assistant Secretary of the Interior;

Calendar 278. William Christie Ramsay, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Congo;

Calendar 279. William H. Dameron III, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali;

Calendar 280. Joseph A. Saloom III, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea;

Calendar 281. Dennis C. Jett, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mozambique;

Calendar 282. Laurence Everett Pope II, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad;

Calendar 283. Howard Franklin Jeter, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana;

Calendar 284. Andrew J. Winter, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia; and

Calendar 285. Victor P. Raymond, to be an Assistant Secretary of Veterans Affairs.

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

Mr. NUNN. Mr. President, 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:

DEPARTMENT OF THE INTERIOR

Ada E. Deer, of Wisconsin, to be an Assistant Secretary of the Interior.

DEPARTMENT OF STATE

William Christie Ramsay, of Michigan, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Congo.

William H. Dameron III, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

Joseph A. Saloom III, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Dennis C. Jett, of New Mexico, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mozambique.

Laurence Everett Pope II, of Maine, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Howard Franklin Jeter, of South Carolina, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Andrew J. Winter, of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

DEPARTMENT OF VETERANS AFFAIRS

Victor P. Raymond, of the District of Columbia, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to the consideration of legislative business.

TRIBUTE TO GEN. JERRY R. WYATT

Mr. MATHEWS. Mr. President, I rise today to pay tribute to an outstanding Tennessean, Maj. Gen. Jerry R. Wyatt, whose unexpected death last week will be mourned by many.

General Wyatt was Tennessee's 71st adjutant general and top military officer. I was fortunate to have worked closely with General Wyatt in Gov. Ned McWherter's administration where I developed strong admiration and respect for his leadership.

A native of Brownsville, TN, General Wyatt served as adjutant general since 1991. In that role he directed Tennessee's military department which includes the Tennessee Air National Guard and Army National Guard.

General Wyatt's service in the Tennessee National Guard began in 1957. In 1967, he volunteered for service in Vietnam and served as a company commander.

He was wounded in the Tet offensive in 1968, and upon returning to Tennessee, resumed his career in the National Guard. Throughout General Wyatt's military career he was honored with numerous awards and decorations. The Legion of Merit, Bronze Star Medal, Purple Heart, and Army Achievement Medal, among many others, display General Wyatt's exemplary service.

A lifelong Tennessean, General Wyatt received his B.S. degree from Cumberland University in 1968, and an associate degree in political science from Dyersburg State Community College in 1973. Prior to being named adjutant general, Wyatt was the U.S. property and fiscal officer, where he served with distinction.

General Wyatt leaves his wife, Shirley Ferrell Wyatt, a son and daughter, and three brothers, to whom I extend my most heartfelt condolences. Mr. President, General Wyatt spent much of his life and career in dedicated military service to his fellow Tennesseans and to his fellow citizens of this Nation. His tenure was marked with honor and distinction and he will be greatly missed.

THE HATCH ACT REFORM AMENDMENTS OF 1993

Mr. KENNEDY. Mr. President, I rise in support of the Hatch Act Amendments of 1993 and call upon my colleagues to vote for this legislation which will restore long due overdue rights to men and women in the civilian work force.

It is a basic principle of government in a political democracy that government functions best when all citizens are given the widest possible latitude to participate in the political process. Yet a significant segment of the citizenry is currently prevented from full participation in the political process of the country by a confusing and anachronistic set of legislative and regulatory restrictions that no longer serve the purposes for which they are enacted. The time has come for us to address the basic inequities in these restrictions and restore to Federal workers the fundamental rights and responsibilities of citizens in a free society by enacting S. 185 into law.

Under the current law, a Federal employee is able to participate in the political process only in a limited manner and only under rules that are difficult to understand and easy to mistakenly break. For example, a Federal employee can go to a rally for a candidate anywhere in the country, but cannot pass out campaign literature for the candidate in his neighborhood. A Federal employee can write a check contributing to a candidate and even express an opinion about a candidate, but if that opinion is expressed in a speech, she will be in violation of the law. These are rules without sensible distinctions.

The time has come for us to address the basic inequities in the current restrictions and restore to Federal workers the ability to exercise the fundamental rights and responsibilities of citizens in a free society by enacting S. 185 into law. Federal workers are among the most knowledgeable well-educated members of American society. They should be able to bring their political opinions to the public forum.

The bill brought before us has been carefully drafted. It reflects years of experience by Senator GLENN and the members of the Governmental Affairs Committee. It ensures that Federal employees may participate voluntarily in political activities while maintaining prohibitions and strict penalties against political activity within the workplace. S. 185 would allow Federal employees to engage in a variety of partisan political activities—but only on their own time, when they are not on duty, and when they are not in the workplace. It would continue to prohibit employees from running for partisan elective office, soliciting political contributions from the general public, or engaging in any coercive activity by supervisors in relation to their subordinates.

Mr. Chairman, when the Hatch Act was passed in 1939, almost 40 percent of the Federal work force was exempt from the civil service. Today, few Federal employees are hired by patronage, most are hired on merit. Moreover, over the past 50 years, the merit system has been strengthened. The Office of Personnel Management, the Office of Special Counsel, and the Merits Systems Protection Board are well-established agencies with the authority and the experience to prevent any attempt by an errant supervisor to subject an employee to coercion for political purposes.

Mr. Chairman, Hatch Act reform is long overdue. It is time for the Senate to adopt this legislation without further delay, without weakening amendments, and without exemptions of any class of employees. For years, we have passed this legislation, only to have it vetoed by a Republican President. President Clinton has indicated that he will not suborn the intent of the majority, but will sign this legislation. Let's get this bill passed, so that Federal employees can enjoy the basic constitutional right to free expression.

THE 1993 MIDYEAR REPORT

The mailing and filing date of the 1993 midyear report required by the Federal Election Campaign Act, as amended, is Saturday, July 31, 1992. All principal campaign committees supporting Senate candidates must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records Office will be open from 12 noon until 4 p.m. on the filing date for the purpose of receiving these filings. In general, reports will be available the next business day after receipt. For further information, please do not hesitate to contact the Office of Public Records on (202) 224–0322.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Zaroff, 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 appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

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–1090. A communication from the Secretary of Education, transmitting, a draft of proposed legislation entitled "Safe Schools Act of 1993"; to the Committee on Labor and Human Resources.

EC–1091. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final regulations relative to the Federal Direct Student Loan Program; to the Committee on Labor and Human Resources.

EC–1092. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final regulations relative to the Institutional Eligibility under the Higher Education Act of 1965, As Amended (Student Assistance General Provisions); to the Committee on Labor and Human Resources.

EC–1093. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for the Rehabilitation Research and Training Centers; to the Committee on Labor and Human Resources.

EC–1094. A communication from the Secretary of Education, transmitting, pursuant to law, a report on Presidential Advisory Committee Recommendations; to the Committee on Labor and Human Resources.

EC–1095. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final regulations for the Endowment Challenge Grant Program; to the Committee on Labor and Human Resources.

EC–1096. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final regulations for the Library Services and Construction Act State-Administered Program; to the Committee on Labor and Human Resources.

EC–1097. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final regulations on removal of regulations; to the Committee on Labor and Human Resources.

EC–1098. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the implementation of the Age Discrimination Act during fiscal year 1992; to the Committee on Labor and Human Resources.

EC–1099. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on Health Care to Hispanics in Medically Underserved Areas; to the Committee on Labor and Human Resources.

EC–1100. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on compliance by the States with the Consumer-Patient Radiation Health and Safety Act of 1981; to the Committee on Labor and Human Resources.

EC–1101. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the National Center on Child Abuse and Neglect for fiscal years 1989 and 1990; to the Committee on Labor and Human Resources.

EC–1102. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, a report on the financial status of the railroad unemployment insurance system; to the Committee on Labor and Human Resources.

EC–1103. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, a report on the actuarial status of the railroad retirement system; to the Committee on Labor and Human Resources.

EC–1104. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, a report of the determination of the Railroad Retirement Account's ability to pay benefits in each of the next five years; to the Committee on Labor and Human Resources.

EC–1105. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law, a report of management improvement for fiscal year 1992; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 273. A bill to remove certain restrictions from a parcel of land owned by the City of North Charleston, South Carolina, in order to permit a land exchange, and for other purposes (Rept. No. 103–89).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 294. A bill to authorize the Secretary of the Interior to formulate a program for the research, interpretation, and preservation of various aspects of colonial New Mexico history, and for other purposes (Rept. No. 103–90).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 310. A bill to amend title V of Public Law 96–550, designating the Chaco Culture Archaelogical Protection Sites, and for other purposes (Rept. No. 103–91).

S. 742. A bill to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Park, and for other purposes (Rept. No. 103–92).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment:

S. 836. A bill to amend the National Trails System Act to provide for a study of El Camino Real de Tierra Adentro (The Royal Road of the Interior Lands), and for other purposes (Rept. No. 103–93).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 851. A bill to establish the Carl Garner Federal Lands Cleanup Day, and for other purposes (Rept. No. 103–94).

S. 983. A bill to amend the National Trails System Act to direct the Secretary of the Interior to study the El Camino Real Para Los Texas for potential addition to the National Trails System, and for other purposes (Rept. No. 103–95).

S.J. Res. 78. A joint resolution designating the beach at 53 degrees 53'51"N, 166 degrees 34'15"W to 53 degrees 53'48"N, 166 degrees 34'21"W on Hog Island, which lies in the Northeast Bay of Unalaska, Alaska as "Arkansas Beach" in commemoration of the 206th regiment of the National Guard, who served during the Japanese attack on Dutch Harbor, Unalaska on June 3 and 4, 1942 (Rept. No. 103–96).

H.R. 1347. A bill to modify the boundary of Hot Springs National Park (Rept. No. 103–97).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 1944. A bill to provide for additional development at War in the Pacific National Historical Park, and for other purposes (Rept. No. 103–98).

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. LUGAR (for himself and Mr. DOMENICI):

S. 1252. A bill to amend the Rural Electrification Act of 1936 to permit the prepayment or repricing of certain loans according to the terms of the applicable loan contract, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. NUNN (for himself and Mr. THURMOND) (by request):

S. 1253. A bill to authorize appropriations for fiscal year 1994 for military activities of the Department of Defense, to precribe military personnel strengths for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

S. 1254. A bill to authorize certain construction at military installations for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

By Mr. NUNN (for himself and Mr. THURMOND):

S. 1255. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

By Mr. DOLE (for himself, Mr. HARKIN, Mr. HELMS, Mr. MCCAIN, Mr. LEAHY, Mr. SIMON, Mr. D'AMATO, Mr. DURENBERGER, Mr. KENNEDY, Mr. INOUYE, Mr. LUGAR, Mr. MITCHELL, Mr. JEFFORDS, Mr. HATFIELD, Mrs. KASSEBAUM, Mr. MOYNIHAN, and Mr. HATCH):

S. 1256. A bill to amend the Foreign Assistance Act of 1961 to examine the status of the human rights of people with disabilities worldwide; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LUGAR (for himself and Mr. DOMENICI):

S. 1252. A bill to amend the Rural Electrification Act of 1936 to permit the prepayment or repricing of certain loans according to the terms of the applicable loan contract, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL ELECTRIFICATION ACT OF 1936 AMENDMENT ACT OF 1993

Mr. LUGAR. Mr. President, I rise today with my friend and colleague Senator DOMENICI to introduce legislation to give rural electric cooperatives the opportunity to refinance their high-cost debt and take advantage of today's historically low interest rates.

This legislation, by reducing interest costs, should lead to a reduction in utility charges to rural electric subscribers. Millions of rural residents across this country should realize the positive impact of this legislation. For rural residents, actions to lower living costs is one of the more immediate forms of rural development activities that Congress or the administration can initiate.

This is not a bailout bill or a bill providing another subsidy to REA borrowers; far from it. This is a self-help piece of legislation, and is estimated by the Congressional Budget Office as having no cost.

Cooperatives and rural consumers in my State of Indiana will benefit from this bill. Hoosier Energy, a generating and transmission cooperative located in Bloomington, IN, and serving rural resident in southern Indiana, has on the books approximately $107 million in long-term, high-cost debt. Of that total, $70 million has average fixed interest rates exceeding 12 percent. Refinancing that debt with the 7 to 7½ percent interest rates commonplace today will lead to annual savings of over $5 million. Dozens of similarly situated cooperatives across the Nation will utilize this authority. Nationally, there are 14 billion dollars' worth of loans outstanding with interest rates exceeding 8.75 percent.

Specifically, this bill tackles three issues: First, it removes the constraints placed on loan refinancing by the administration. Currently, the administration takes the position that the act of refinancing existing loans is effectively the making of a new loan for purposes of lending limits imposed by Congress. That approach operates as a very effective barrier to the refinancing of high-cost debt.

Although it is my understanding that the administration is currently reviewing their refinancing policy, hopefully this bill will spur it to action. It is my hope that we can adopt this provision quickly so that affected cooperatives can take advantage of today's lower rates. Further delay will only hurt those cooperatives and their rural American ratepayers.

Second, the bill overrides a provision in the loan contract between the borrowers and REA. Under that contract, the borrowers are unable to repay or reprice their loans for a period of 12 years from the date that moneys were first advanced. For many borrowers in rural America, that 12-year window may not open until 1995 or 1996—perhaps far too late to take advantage of these attractive interest rates. This bill will allow such borrowers to prepay or refinance at any time during the life of their contract.

The bill is designed to permit such repayment or repricing at no cost to the Federal Government. Under the terms of the existing contracts, after the 12-year period borrowers are entitled to prepay or reprice, but are charged a premium equal to the interest payment for 1 year. This bill retains that prepayment premium. For borrowers that prepay or reprice before the 12-year period, the bill also calls for a second premium based upon the expected revenue loss to the Government between the date of repricing and the 12-year window.

Finally, the bill authorizes, subject to appropriation, a hardship program for those cooperatives in the most dire financial straits.

Mr. President, I urge all of my colleagues to review this bill. It is legislation that this body should act upon as quickly as possible.

Mr. DOMENICI. Mr. President, I rise to join the senior Senator from Indiana in the introduction of legislation to permit the prepayment of certain REA loans.

The legislation we are introducing provides a means to refinance high-cost debt held by rural cooperatives. The bill would:

Eliminate the current backlog of loans eligible to be refinanced under existing loan contracts;

Allow cooperatives to prepay the remainder of this debt in advance during this period of low interest rates for a modest premium; and

Establish a hardship program to refinance a portion of this debt premium free.

There is a $3.9 billion backlog of loans waiting to be repriced by the Rural Electrification Administration. Another $4.3 billion will become eligible to be repriced over the next 3 years.

According to the Congressional Budget Office's preliminary estimates, the repricing of these loans will have no cost to the Federal Government.

Mr. President, in my home State of New Mexico, Plains Electric Generation and Transmission Cooperative is struggling with extremely high interest rates on its outstanding debt with the Federal Financing Bank.

In the early 1980's, Plains borrowed nearly $400 million from the Federal Financing Bank to construct a coal-fired electric generation facility to meet existing demand under some of the most stringent regulatory requirements of the Clean Air Act.

Of this amount, $269 million in loans was approved prior to 1982. Plains will be able to refinance this $269 million over the next few years under its current loan contracts for a modest premium. If Plains was allowed to refinance just $100 million of this amount, it would represent $4 million in savings to rural New Mexico electric customers.

Since the 1980's, Plains has seen two things occur. First, interest rates have plummeted, dropping to as low as 6 percent recently. At the same time, the downturn in the uranium, coal, CO_2, molybdenum, and copper industries New Mexico has weakened demand for electric power.

New Mexico is generally a rural and poor State with high unemployment and high electricity rates. While the United States is suffering a 6.9-percent unemployment rate, the Mora County unemployment rate is 37.2 percent. McKinley County in New Mexico has a poverty rate of 43.5 percent.

Electricity is a key ingredient to economic growth. The efforts we take to reduce electric rates in rural America will produce jobs and economic growth for our people.

I urge adoption of this legislation.

By Mr. NUNN (for himself and Mr. THURMOND):

S. 1253. A bill to authorize appropriations for fiscal year 1994 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994

• Mr. NUNN. Mr. President, by request, for myself and the senior Senator from South Carolina [Mr. THURMOND], I introduce, for appropriate reference, a bill to authorize appropriations for fiscal year 1994 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1994, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

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

S. 1253

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 "National Defense Authorization Act for Fiscal Year 1994".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide Procurement.
Sec. 105. Defense Inspector General.
Sec. 106. Defense Health Program.
Sec. 107. Chemical Demilitarization Program.

Subtitle B—Other Matters

Sec. 111. Repeal of Requirement for Separate Budget Request for Procurement of Reserve Equipment.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Authorization of Appropriations.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and Maintenance Funding.
Sec. 302. Working Capital Funds.
Sec. 303. Additional Activities included in Defense Business Operations Fund.
Sec. 304. National Security Education Trust Fund Obligations.

Subtitle B—Other Matters

Sec. 311. Amendment Relating to Emergency and Extraordinary Expense Authority for Defense Inspector General.
Sec. 312. Repeal of Ceiling on Employees in Headquarters and Non-management Headquarters and Support Activities.
Sec. 313. Flexibility in Administering Requirement For Annual Four Percent Reduction in Number of Civilian Employees Assigned to Headquarters and Headquarters Support Activities.
Sec. 314. National Defense Stockpile Fund Management Improvements.
Sec. 315. Clarification of Amendments to CINC Initiative Fund Legislation.
Sec. 316. Pacific Battle Monuments Maintenance.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces.

Sec. 401. End Strengths for Active Forces.

Subtitle B—Reserve Forces

Sec. 411. End Strengths for Selected Reserve.

Sec. 412. End Strengths for Reserves on Active Duty in Support of the Reserves.
Sec. 413. Increase in Number of Members in Certain Grades Authorized to be on Active Duty in Support of the Reserves.
Subtitle C—Military Training Student Loads
Sec. 421. Authorization of Training Student Loads.
TITLE V—MILITARY PERSONNEL POLICY
Subtitle A—Officer Personnel Policy
Sec. 501. Authority to Delete from Selection Board Reports and Promotion Lists Names of Officers Erroneously Considered by Promotion Selection Boards.
Sec. 502. Amendment to Warrant Officer Management Act to Authorize Involuntary Separation of Certain Regular Warrant Officers.
Subtitle B—Reserve Component Matters
Sec. 511. Authorization of Secretarial Selected Reserve Call Up Authority and Expansion of 90-Day Call Up Period.
Sec. 512. Consistency in Federal Recognition Qualifications for Members of the National Guard.
Sec. 513. Exception to the Twelve-week Basic Training Period Requirement.
Sec. 514. National Guard Management Initiatives.
Sec. 515. Modification of the Physical Examination Requirement for Members of the Ready Reserve.
Subtitle C—Service Academies
Sec. 521. Procedures for Nominating Candidates for Admission to Service Academies.
Sec. 522. Graduation Leave for Service Academy Graduates.
Subtitle D—Education and Training
Sec. 531. Change to ROTC Advanced Course Admission Requirements.
Subtitle E—Other Matters
Sec. 541. Authority for Non-citizen Spouse and Children of Non-citizen Service Members to Reside with the Member in the United States.
Sec. 542. Reduction in the Maximum Number of Years for a Military Member to be Maintained on the Temporary Disability Retired List.
Sec. 543. Clarification of Punitive UCMJ Article Regarding Drunken Driving.
Sec. 544. Repeal of the Statutory Restriction of the Assignment of Women in the Navy and Marine Corps.
TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS
Subtitle A—Pay and Allowances
Sec. 601. Variable Housing Allowances for Certain Members who are Required To Pay Child Support and Assigned to Sea Duty.
Sec. 602. Pay for Members of the Uniformed Services During Times of War, Hostilities, or National Emergency.
Sec. 603. Separation Pay upon Involuntary Discharge or Release from Active Duty.
Sec. 604. Permanent Authority for Certain Bonuses and Special Pay for Nurse Officer Candidates, Registered Nurses, and Nurse Anesthetists.
Sec. 605. Modification of Certain Selected Reserve Bonuses.
Sec. 606. Expiring Authorities.
Subtitle B—Retired Pay and Survivor Benefits
Sec. 611. Disability Coverage for Officer Candidates Granted Excess Leave.
Sec. 612. Termination of Servicemen's Group Life Insurance When Premiums are not Paid.
Subtitle C—Other Matters
Sec. 621. Authorization of Payment or Collection Due to Fluctuations of Foreign Currency Incurred by Certain Military Members.
Sec. 622. Revisions to Security Deposit Waiver Program.
Sec. 623. Extension of Desert Shield Postponement of Certain Tax-related Acts to other Contingency Operations.
Sec. 624. Inclusion of Victims of Terrorism in Certain Title 37 Benefits.
Sec. 625. Permanent Authorization for Former Prisoners of War to Claim Payments Because of Violations of the Geneva Conventions.
TITLE VII—HEALTH CARE PROVISIONS
Subtitle A—Health Care Management
Sec. 701. Extension and Revision of Specialized Treatment Services Program.
Sec. 702. Revision and Codification of CHAMPUS Physician Payment Reform Program.
Sec. 703. Codification of CHAMPUS Peer Review Organization Program Procedures.
Sec. 704. Award of Constructive Service Credit for Advanced Health Professional Degrees.
Sec. 705. Codification of Revised Governance Structure of the Uniformed Services University of the Health Sciences.
Sec. 706. Clarification of Authority for Graduate Student Program of the Uniformed Services University of the Health Sciences.
Sec. 707. Modification of Date for Delivery of Health Care Services Under CHAMPUS Reform Initiative Contract.
Sec. 708. Authority for the Armed Forces Institute of Pathology to Obtain Additional Distinguished Pathologists and Scientists.
Subtitle B—Other Matters
Sec. 711. Exclusion of Experienced Military Physicians from Medicare Definition of New Physician.
Sec. 712. Repeal of the Statutory Restriction on Use of Funds for Abortions.
TITLE VIII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT
Subtitle A—Office of the Secretary of Defense
Sec. 801. Authorization for Certain Organizational Changes in the Office of the Secretary of Defense.
Subtitle B—Professional Military Education
Sec. 811. Authorization for the Award of the Master of Science of National Security Strategy Degree and the Master of Science of National Resource Strategy Degree.
Subtitle C—Other Matters
Sec. 821. Authority for Civilian Army Employees to Act on Reports of Survey.
Sec. 822. Escorts and Flags for Civilian Employees who Die while Serving in a Conflict with the Armed Forces.
Sec. 823. Providing Flexibility in the Office of the Inspector General of the United States Air Force.
TITLE IX—GENERAL PROVISIONS
Sec. 901. Awarding of Gold Star Lapel Buttons to Survivors of United States Servicemembers Killed by Terrorist Acts.
Sec. 902. Aviation Leadership Program.
TITLE X—MATTERS RELATING TO ALLIES AND OTHER NATIONS
Sec. 1001. Exchange of Personnel Between Department of Defense and Foreign Defense Departments or Ministries.
Sec. 1002. Transfer of Certain Defense Articles in the War Reserve Allies Stockpile to the Republic of Korea.
Sec. 1003. Report Requirement Repealed.
Sec. 1004. Burden Sharing Contributions by Japan, Kuwait, and the Republic of Korea.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Army as follows:

(1) For aircraft, $1,110,436,000.

(2) For missiles, $1,043,550,000.

(3) For weapons and tracked combat vehicles, $874,346,000.

(4) For ammunition, $734,427,000.

(5) For other procurement, $3,051,281,000.

SEC. 102. NAVY AND MARINE CORPS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Navy as follows:

(1) For aircraft, $6,132,604,000.

(2) For weapons, including missiles and torpedoes, $3,040,260,000.

(3) For shipbuilding and conversion, $4,294,742,000.

(4) For other procurement, $2,967,974,000.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Marine Corps in the amount of $483,464,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Air Force as follows:

(1) For aircraft, $7,300,965,000.

(2) For missiles, $4,361,050,000.

(3) For other procurement, $7,942,065,000.

SEC. 104. DEFENSE-WIDE PROCUREMENT.

Funds are hereby authorized to be appropriated for fiscal year 1994 for defense-wide procurement in the amount of $1,730,164,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Defense Inspector General in the amount of $800,000.

SEC. 106. DEFENSE HEALTH PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Defense Health Program in the amount of $272,762,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

(a) FUNDING FOR PROGRAM.—Funds are hereby authorized to be appropriated for fiscal year 1994 for the destruction of lethal chemical weapons in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 583, 747) in the amount of $125,486,000.

(b) REPEAL OF SEPARATE BUDGET ACCOUNT PROVISION.—The second sentence of section 1412(f) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 583, 784) is repealed.

Subtitle B—Other Matters

SEC. 111. REPEAL OF REQUIREMENT FOR SEPARATE BUDGET REQUEST FOR PROCUREMENT OF RESERVE EQUIPMENT.

Section 114(e) of title 10, United States Code, is repealed.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces for research, development, test, and evaluation, as follows:

(1) For the Army, $5,249,948,000.

(2) For the Navy, $9,215,604,000.

(3) For the Air Force, $13,694,984,000.

(4) For Defense-wide research, development, test, and evaluation, $10,459,791,000, of which—

(A) $272,592,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $12,650,000 is authorized for the Director of Operational Test and Evaluation.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense, for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $16,014,394,000.

(2) For the Navy, $20,192,900,000.

(3) For the Marine Corps, $1,818,000,000.

(4) For the Air Force, $19,808,384,000.

(5) For Defense-wide operation and maintenance, $9,587,581,000.

(6) For Medical Programs, Defense, $9,080,538,000.

(7) For the Army Reserve, $1,107,800,000.

(8) For the Naval Reserve, $773,800,000.

(9) For the Marine Corps Reserve, $75,100,000.

(10) For the Air Force Reserve, $1,354,578,000.

(11) For the Army National Guard, $2,218,900,000.

(12) For the Air National Guard, $2,657,233,000.

(13) For the National Board for the Promotion of Rifle Practice, $2,483,000.

(14) For the Defense Inspector General, $126,801,000.

(15) For Drug Interdiction and Counter-drug Activities, Defense-wide, $1,168,200,000.

(16) For the Court of Military Appeals, $6,055,000.

(17) For Environmental Restoration Defense-wide, $2,309,400,000.

(18) For Defense-wide Global Cooperative Initiatives, including humanitarian assistance covered by section 2551 of title 10, United States Code, $448,000,000.

(19) For Chemical Agents and Munitions Destruction, Defense-wide, $308,161,000.

(20) For Former Soviet Union Threat Reduction, $400,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $1,161,095,000.

(2) For the National Defense Sealift Fund, $290,800,000.

SEC. 303. ADDITIONAL ACTIVITIES INCLUDED IN DEFENSE BUSINESS OPERATIONS FUND.

Section 316(b)(3) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2208 note) is amended by inserting "the Defense Contract Audit Agency, the Defense Contract Management Command," immediately after "the Defense Finance and Accounting Service,".

SEC. 304. NATIONAL SECURITY EDUCATION TRUST FUND OBLIGATIONS.

During fiscal year 1994, $24,000,000 is authorized to be obligated from the National Security Education Trust Fund established by section 804(a) of the David L. Boren National Security Education Act of 1991 (Public Law 102-183; 105 Stat. 1271).

Subtitle B—Other Matters

SEC. 311. AMENDMENT RELATING TO EMERGENCY AND EXTRAORDINARY EXPENSE AUTHORITY FOR DEFENSE INSPECTOR GENERAL.

Section 127 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by inserting ", the Defense Inspector General," immediately after "the Secretary of Defense"; and

(B) in the second sentence and the third sentence, by inserting "or the Defense Inspector General" immediately after "the Secretary concerned" each place it appears; and

(2) in subsection (b), by inserting ", by the Defense Inspector General to any person in the Office of the Inspector General," immediately after "the Department of Defense".

SEC. 312. REPEAL OF CEILING ON EMPLOYEES IN HEADQUARTERS AND NON-MANAGEMENT HEADQUARTERS AND SUPPORT ACTIVITIES.

Section 194 of title 10, United States Code, is repealed.

SEC. 313. FLEXIBILITY IN ADMINISTERING REQUIREMENT FOR ANNUAL FOUR PERCENT REDUCTION IN NUMBER OF CIVILIAN EMPLOYEES ASSIGNED TO HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.

(a) SHIFTING REDUCTIONS.—Section 906(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1622) is amended by adding the following sentence at the end thereof: "When the number of such personnel is reduced by more than 4 percent during any fiscal year, the number of personnel reductions in excess of such 4 percent reduction may be counted as part of the 4 percent reduction required under this section in determining the number of personnel reductions required during any subsequent fiscal year.".

(b) APPLICATION OF SHIFTS.—The amendment made to section 906(a) by subsection (a) shall permit the inclusion of excess reductions taken during fiscal years 1991, 1992, or 1993 in determining the number of reductions required to be taken during fiscal years 1994 and 1995.

SEC. 314. NATIONAL DEFENSE STOCKPILE FUND MANAGEMENT IMPROVEMENTS.

(a) FUND MANAGEMENT.—During fiscal year 1994 and thereafter, sales of stockpiled material in the National Defense Stockpile may be made in amounts not to exceed $500,000,000 in any fiscal year. Receipts from such sales may be transferred to any appropriation available to the Department of Defense to be merged with and to be available for the same purposes and same time period as the appropriation to which transferred.

(b) AUTHORITY FOR ACQUISITION MORATORIUM.—When determined to be necessary by the Secretary of Defense, the Secretary may impose a moratorium on the acquisition of new material for the National Defense Stockpile for the purpose of reducing existing excess material in the Stockpile.

SEC. 315. CLARIFICATION OF AMENDMENTS TO CINC INITIATIVE FUND LEGISLATION.

The amendments made by section 934 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 102 Stat. 2477) to the provisions of section 166a of title 10, United States Code, (relating to the CINC Initiative Fund) shall be effective for all purposes and shall supersede any conflicting provisions contained in section 9128 of the Department of Defense Appropriations Act, 1993 (Public Law 102-396; 102 Stat. 1935) (containing the text of the provisions of section 908 of S. 3114, 102d Congress, 2d Session, as passed by the Senate on September 19, 1993). Section 9128 of the Department of Defense Appropriations Act, 1993, is repealed.

SEC. 316. PACIFIC BATTLE MONUMENTS MAINTENANCE.

(a) AUTHORITY.—The Commandant of the United States Marine Corps may provide necessary minor maintenance and repairs to Pacific battle monuments until such time as the Secretary of the American Battle Monuments Commission and the Commandant of the Marine Corps agree that the repair and maintenance will be performed by the American Battle Monuments Commission.

(b) FUNDING TO REPAIR AND RELOCATE PACIFIC BATTLE MONUMENTS.—Of the amounts made available to the Marine Corps for operation and maintenance in each fiscal year, not more than $15,000 each fiscal year shall be available to repair and maintain Pacific battle monuments. Of the amounts available to the Marine Corps for operation and maintenance in fiscal year 1993, $150,000 shall be available to repair and relocate a monument located on Iwo Jima commemorating the sacrifice of American military personnel during World War II.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1994, as follows:

(1) The Army, 540,000.

(2) The Navy, 480,800.

(3) The Marine Corps, 174,100.

(4) The Air Force, 425,700.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces as authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1994, as follows:

(1) The Army National Guard of the United States, 410,000.

(2) The Army Reserve, 260,000.

(3) The Naval Reserve, 113,400.

(4) The Marine Corps Reserve, 36,900.

(5) The Air National Guard of the United States, 117,700.

(6) The Air Force Reserve, 81,500.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be reduced proportionately by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be increased proportionately by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 402(b), the reserve components of the Armed Forces are authorized, as of September 30, 1994, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,180.

(2) The Army Reserve, 12,542.

(3) The Naval Reserve, 19,369.

(4) The Marine Corps Reserve, 2,119.

(5) The Air National Guard of the United States, 9,389.

(6) The Air Force Reserve, 648.

SEC. 413. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—Effective on October 1, 1993, the table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	569	202	328	14
E–8	2,585	429	840	74".

(b) OFFICERS.—Effective on October 1, 1993, the table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	575	110
Lieutenant Colonel or Commander	1,524	520	636	75
Colonel or Navy Captain	372	188	274	25".

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1994, the components of the active and reserve Armed Forces are authorized average military training student loads as follows:

(1) The Army, 75,220.

(2) The Navy, 45,269.

(3) The Marine Corps, 22,753.

(4) The Air Force, 33,439.

(b) ADJUSTMENTS.—The average military training student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the number in which such adjustments shall be apportioned.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. AUTHORITY TO DELETE FROM SELECTION BOARD REPORTS AND PROMOTION LISTS NAMES OF OFFICERS ERRONEOUSLY CONSIDERED BY PROMOTION SELECTION BOARDS.

(a) IN GENERAL.—Subchapter I of chapter 36 of title 10, United States Code, is amended by inserting after section 618 the following new section:

"§ 618a. Secretarial deletion from promotion selection board report

"(a) The Secretary concerned may delete administratively the name of a regular or reserve officer selected for promotion by a selection board from the report of the selection board or from a list of officers recommended for promotion if the Secretary determines—

"(1) that the officer was ineligible, under section 619 of this title or other applicable law (including those with respect to the promotion of regular officers), as implemented by regulations of the military department concerned, for consideration for promotion by the selection board or was not within the promotion zone established for the board;

"(2) that a regular or reserve officer who was considered for promotion by a board convened under section 573 or 611 of this title is not serving on an active duty list as a result of death, discharge, dismissal, resignation, retirement, or, in the case of a reserve officer, as a result of release from active duty or the performance of duty specified in section 582 or 641(1) of this title; or

"(3) that a reserve officer (including a reserve warrant officer) not on an active duty list who was selected for promotion has died, resigned, been discharged or dismissed, or is no longer serving in an active status as defined in section 267(b) of this title.

"(b) An officer selected for promotion whose name is deleted administratively under this section from the report of a selection board or from a list of officers recommended for promotion shall be considered for all purposes, other than chapter 77 of this title, not to have been considered for promotion by the board concerned.".

(b) CONFORMING AMENDMENT.—Such subchapter is further amended by amending section 618(d) to read as follows:

"(d) Except as provided in section 618a of this title, the name of an officer selected for promotion by a selection board may be removed from the report of the selection board only by the President.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter I of chapter 36 is amended by inserting after the item relating to section 618 the following:

"618a. Secretarial deletion from promotion selection board report.".

(d) SAVINGS PROVISION.—The enactment of this Act shall not be construed to affect any action taken by the Secretary of a military department concerning a report of a selection board or list of officers recommended for promotion prior to the enactment of this Act.

SEC. 502. AMENDMENT TO WARRANT OFFICER MANAGEMENT ACT TO AUTHORIZE INVOLUNTARY SEPARATION OF CERTAIN REGULAR WARRANT OFFICERS.

(a) IN GENERAL.—Chapter 33A of title 10, United States Code, is amended by inserting after section 580 the following new section:

"§ 580a. Modification to rules for continuation on active duty; enhanced authority for selective early discharges

"(a) The Secretary of Defense may authorize the Secretary of military department, during the two-year period beginning on October 1, 1993, to take any of the actions set forth in subsection (b) with respect to regular warrant officers of an armed force under the jurisdiction of that Secretary.

"(b) The Secretary of a military department may, with respect to regular warrant officers of an armed force, when authorized to do so under subsection (a), convene selection boards under section 573(c) of this title to consider for discharge regular warrant officers on the warrant officer active-duty list—

"(1) who have served at least one year of active duty in the grade currently held;

"(2) whose names are not on a list of warrant officers recommended for promotion; and

"(3) who are not eligible to be retired under any provision of law and are not within two years of becoming so eligible.

"(c)(1) In the case of an action under subsection (b), the Secretary of the military department concerned may submit to a selection board convened pursuant to that subsection—

"(A) the names of all regular warrant officers described in that subsection in a particular grade and competitive category; or

"(B) the names of all regular warrant officers described in that subsection in a particular grade and competitive category who also are in particular year groups or specialities, or both, within that competitive category.

"(2) The Secretary concerned shall specify the total number of warrant officers to be recommended for discharge by a selection board convened pursuant to subsection (b). That number may not be more than 30 percent of the number of officers considered—

"(A) in each grade in each competitive category; or

"(B) in each grade, year group, or speciality (or combination thereof) in each competitive category.

"(3) The total number of regular warrant officers described in subsection (b) from any of the armed forces (or from any of the armed forces in a particular grade) who may be recommended during a fiscal year for discharge by a selection board convened pursuant to the authority of that subsection may not exceed 70 percent of the decrease, as compared to the preceding fiscal year, in the number of warrant officers of that armed force (or the number of warrant officers of that armed force in that grade) authorized to be serving or active duty as of the end of that fiscal year.

"(4) A warrant officer who is recommended for discharge by a selection board convened pursuant to the authority of subsection (b) and whose discharge is approved by the Secretary concerned shall be discharged on a state specified by the Secretary concerned.

"(5) Selection of warrant officers for discharge under this subsection shall be based on the needs of the service.

"(d) The discharge of any warrant officer pursuant to this section shall be considered involuntary for purposes of any other provision of law.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33A is amended by inserting after the item relating to section 580 the following new item:

"580a. Modification to rules for continuation on active duty; enhanced authority for selective early discharges.".

Subtitle B—Reserve Component Matters

SEC. 511. AUTHORIZATION OF SECRETARIAL SELECTED RESERVE CALL UP AUTHORITY AND EXPANSION OF 90-DAY CALL UP PERIOD.

(a) REVISION OF AUTHORITY TO ORDER THE SELECTED RESERVE TO ACTIVE DUTY TO AUGMENT ACTIVE FORCES.—Section 673b(a) of title 10, United States Code, is amended to read as follows:

"(a) Notwithstanding the provisions of section 673(a) or any other provision of law, the President may authorize the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, without the consent of the members concerned, to order any unit, and any member not assigned to a unit organized to serve as a unit of the Selected Reserve (as defined in section 268(b) of this title), under their respective jurisdictions—

"(1) when the President determines it is necessary to augment the active forces for any operational mission, to active duty (other than for training) for not more than a total of 180 days; or

"(2) when the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, determines it is necessary to augment the active forces, to active duty (other than for training) for not more than a total of 90 days.".

(b) LIMITATION TO THE SECRETARIAL CALL UP AUTHORITY TO 25,000.—Section 673b(c) of such title is amended to read as follows:

"(c) Not more than 200,000 members of the Selected Reserve may be on active duty at any one time under subsection (a)(1), and not more than 25,000 members of the Selected Reserve may be on active duty at any one time under subsection (a)(2).".

(c) REVISION TO PERIOD OF EXTENSION OF ACTIVE DUTY.—Section 673b(i) of such title is amended—

(1) by striking out "90 additional days" and inserting in lieu thereof "a total of 180 additional days"; and

(2) in the first sentence, by striking out "is ordered to active duty under this section" and inserting in lieu thereof "is ordered to active duty under subsection (a)(1)".

(d) CONFORMING AMENDMENT.—Section 673b(f) of such title is amended to read as follows:

"Whenever the President authorizes the Secretary of Defense or the Secretary of Transportation to order any unit or member of the Selected Reserve to active duty, under the authority of subsection (a)(1), or when the Secretary of Defense or the Secretary of Transportation orders any unit or member of the Selected Reserve to active duty, under the authority of subsection (a)(2), the President or respective Secretary, as the case may be, shall submit, within 24 hours after exercising such authority, a report to Congress, in writing, setting forth the circumstances necessitating the action taken under this section and describing the anticipated use of these units or members.".

SEC. 512. CONSISTENCY IN FEDERAL RECOGNITION QUALIFICATIONS FOR MEMBERS OF THE NATIONAL GUARD.

(a) IN GENERAL.—Section 301 of title 32, United States Code, is amended by inserting after the first sentence the following new sentence: "Qualifications prescribed by the Secretary in the preceding sentence may not differ between persons solely on the basis of employment as a technician under section 709 of this title.".

(b) REPEAL OF REQUIRED TRAINING (LEADERSHIP TRAINING).—Section 523 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 1918, 1974; 10 U.S.C. 709 note) is repealed.

(c) REPEAL OF REQUIRED TRAINING (BATTLE SKILLS).—Section 506 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1352, 1438; 10 U.S.C. 709) is repealed.

SEC. 513. EXCEPTION TO THE TWELVE-WEEK BASIC TRAINING PERIOD REQUIREMENT.

Section 671(b) of title 10, United States Code, is amended by adding at the end the following new sentence: "Under regulations prescribed by the Secretary of Defense that shall apply uniformly to the military department or, in the case of the Coast Guard when it is not operating as a service in the Navy, by the Secretary of Transportation, the Secretary concerned may establish, in lieu of the twelve-week training requirement in this subsection and in section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)), a shorter period of basic training (or equivalent training program) for persons inducted, enlisted, or appointed in an armed force who have developed skills in the civilian sector that readily can be applied in the armed forces.".

SEC. 514. NATIONAL GUARD MANAGEMENT INITIATIVES.

(a) CLARIFICATION OF INCLUSION OF FEMALE WARRANT OFFICERS AND ENLISTED MEMBERS OF THE NATIONAL GUARD IN THE MILITIA.—Section 311 of title 10, United States Code, is amended by inserting ", warrant officers, or enlisted members" after "female citizens of the United States who are commissioned officers".

(b) REPEAL OF REQUIREMENT FOR PHYSICAL EXAMINATION (ARMY NATIONAL GUARD).—(1) Section 3502 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 341 is amended by striking out the item relating to section 3502.

(c) REPEAL OF REQUIREMENT FOR PHYSICAL EXAMINATION (AIR NATIONAL GUARD).—(1) Section 8502 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 841 is amended by striking out the item relating to section 8502.

(d) INCREASE IN TIME ALLOWED FOR COMPLETION OF UNIT TRAINING.—Section 502(b) of title 32, United States Code, is amended by striking out "30" in the second sentence and inserting in lieu thereof "90".

(e) EXCEPTIONS TO 30-DAY NOTICE FOR TERMINATION OF EMPLOYMENT OF CERTAIN TECHNICIANS.—Subsection 709(e)(6) of title 32, United States Code, is amended to read as follows:

"(6) a technician shall be notified in writing of the termination of employment as a technician and, unless the technician is serving under a temporary appointment, is serving in a trial or probationary period, or has voluntarily ceased to be a member of the National Guard when such membership is a condition of employment, such notice shall be given at least thirty days before the termination date of such employment.".

(f) REPEAL OF LIMIT ON NUMBER OF TECHNICIANS WHO MAY BE EMPLOYED AT ANY ONE TIME.—Subsection 709(h) of title 32, United States Code, is repealed.

(g) AUTHORIZATION FOR UNSERVICEABILITY FINDINGS BY NATIONAL GUARD OFFICERS.—Subsection 710(f) of title 32, United States Code, is amended by striking out "Regular Army or the Regular Air Force," and inserting in lieu thereof "Regular Army or a commissioned officer of the Army National Guard who is also a commissioned officer of the Army National Guard of the United States, or by a commissioned officer of the Regular Air Force, or a commissioned officer of the Air National Guard who is also a commissioned officer of the Air National Guard of the United States,".

SEC. 515. MODIFICATION OF THE PHYSICAL EXAMINATION REQUIREMENT FOR MEMBERS OF THE READY RESERVE.

Section 1004(a)(1) of title 10, United States Code, is amended by striking "four" and inserting in lieu thereof "five."

Subtitle C—Service Academies

SEC. 521. PROCEDURES FOR NOMINATING CANDIDATES FOR ADMISSION TO SERVICE ACADEMIES.

Sections 4342(a), 6954(a), and 9342(a) of title 10, United States Code, are amended—

(1) by striking "a principal candidate and nine alternates" in the last sentence of each section and inserting in lieu thereof "ten persons"; and

(2) by inserting after the last sentence as amended by paragraph 1 the following new sentences: "Nominees may be submitted without ranking, or with a principal candidate and nine ranked or unranked alternates. Qualified nominees not selected for appointment under this subsection shall be considered qualified alternates for the purposes of selection under other provisions in this chapter."

SEC. 522. GRADUATION LEAVE FOR SERVICE ACADEMY GRADUATES.

Section 702 of title 10, United States Code, is amended by striking "regular" in the first sentence.

Subtitle D—Education and Training

SEC. 531. CHANGE TO ROTC ADVANCED COURSE ADMISSION REQUIREMENTS.

Section 2104(b)(6)(A)(ii) of title 10, United States Code, is amended by striking "not less than six weeks" and inserting in lieu thereof "a".

Subtitle E—Other Matters

SEC. 541. AUTHORITY FOR NON-CITIZEN SPOUSE AND CHILDREN OF NON-CITIZEN SERVICE MEMBERS TO RESIDE WITH THE MEMBER IN THE UNITED STATES.

Section 101(a) of the Immigration and Naturalization Act (8 U.S.C. 1101(a)(15)) is amended—

(1) by striking out "or" at the end of subparagraph (Q);

(2) by striking out the period at the end of subparagraph (R) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new subparagraph:

"(S) An alien who is the spouse or child of an alien serving honorably, in the United States, on active duty in the Armed Forces of the United States, and is accompanying, or coming to join such alien service member for a period not to exceed six years, which may be extended by the Attorney General.".

SEC. 542. REDUCTION IN THE MAXIMUM NUMBER OF YEARS FOR A MILITARY MEMBER TO BE MAINTAINED ON THE TEMPORARY DISABILITY RETIRED LIST.

(a) IN GENERAL.—(1) Section 1210(b) of title 10, United States Code, is amended by striking out "five" and inserting in lieu thereof "three."

(2) Section 1210(h) of title 10, United States Code, is amended by striking out "five" and inserting in lieu thereof "three".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect for all military members placed on the temporary disability retired list on or after the date of enactment of this Act.

SEC. 543. CLARIFICATION OF PUNITIVE UCMJ ARTICLE REGARDING DRUNKEN DRIVING.

Section 911(2) (article 111) of title 10, United States Code, as added by section 1066 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 1106 Stat. 2315, 2506), is amended by inserting "or greater" after "0.10 grams" both times such term appears.

SEC. 544. REPEAL OF THE STATUTORY RESTRICTION ON THE ASSIGNMENT OF WOMEN IN THE NAVY AND MARINE CORPS.

(a) IN GENERAL.—Section 6015 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of Chapter 555, United States Code, is amended by striking the item referring to section 6015.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. VARIABLE HOUSING ALLOWANCE FOR CERTAIN MEMBERS WHO ARE REQUIRED TO PAY CHILD SUPPORT AND WHO ARE ASSIGNED TO SEA DUTY.

Section 403a(b)(2) of title 37, United States Code, is amended—

(1) in subparagraph (A), by striking out "or"; and

(2) by adding at the end the following new subparagraph:

"(C) the member is not a member who is in a paygrade above E-6, who is assigned to sea duty, and who elects not to occupy assigned unaccompanied quarters; or".

SEC. 602. PAY FOR MEMBERS OF THE UNIFORMED SERVICES DURING TIMES OF WAR, HOSTILITIES, OR NATIONAL EMERGENCY.

(a) IN GENERAL.—Chapter 19 of title 37, United States Code, relating to administration of pay for members of the uniformed services, is amended—

(1) In section 1005, by striking out "Members" and inserting in lieu thereof "Except as provided in section 1013 of this title, members"; and

(2) by adding at the end of such chapter the following new section:

"§ 1013. Pay: periods of war, hostilities, or national emergency

"In time of war, hostilities, or national emergency declared by Congress or the President, the Secretary concerned may limit the direct pay, or a portion thereof, to a member of a uniformed service when the member is serving on active duty in an area prescribed for this purpose by the Secretary of Defense. Any amount of pay and allowances due but not paid directly to such member may be paid through allotments or assignments as prescribed by the member or credited to the member's account and paid upon the member's return or departure from the prescribed area. The Secretary concerned shall ensure prompt payment of all pay and allowances.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1013. Pay: periods of war, hostilities, or national emergency.".

SEC. 603. SEPARATION PAY UPON INVOLUNTARY DISCHARGE OR RELEASE FROM ACTIVE DUTY.

Section 1174 of title 10, United States Code, is amended in subsection (a)(1), by striking out "five" and inserting in lieu thereof "six".

SEC. 604. PERMANENT AUTHORITY FOR CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "during the period beginning on November 29, 1989, and ending on September 30, 1993," and inserting in lieu thereof "on or after October 1, 1993,".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d of title 37, United States Code, is amended by striking out "during the period beginning on November 29, 1989, and ending on September 30, 1993," and inserting in lieu thereof "on or after October 1, 1993,".

(c) INCENTIVE SPECIAL PAY FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Section 302e(a) of title 37, United States Code, is amended by striking out "during the period beginning on November 29, 1989, and ending on September 30, 1993," and inserting in lieu thereof "on or after October 1, 1993,".

SEC. 605. MODIFICATION OF CERTAIN SELECTED RESERVE BONUSES.

(a) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(b)(1) of title 37, United States Code, is amended by striking out "one-half of the bonus shall be paid" and inserting in lieu thereof "an amount not to exceed one-half of the bonus may be paid".

(b) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(c)(2) of title 37, United States Code, is amended—

(A) by striking out "fifth anniversary" and inserting in lieu thereof "sixth anniversary"; and

(B) by adding at the end the following new paragraph:

"(3) In lieu of the procedures set out above, the Secretary concerned may pay the bonus in monthly installments in amounts determined by the Secretary. Such monthly payments will begin after the first month of satisfactory service and are payable only for those months the member serves satisfactorily. Satisfactory service will be determined under regulations prescribed by the Secretary of Defense.".

SEC. 606. EXPIRING AUTHORITIES.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1993" and inserting in lieu thereof "September 30, 1995".

(b) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1993" and inserting in lieu thereof "September 30, 1995".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Sections 3360(b), 3360(c), 3853, and 8353 of title 10, United States Code, are each amended by striking out "September 30, 1993" and inserting in lieu thereof in each instance "September 30, 1995".

(d) GRADE DETERMINATION AUTHORITY FOR CERTAIN RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1993" and inserting in lieu thereof in each instance "September 30, 1995".

(e) PROMOTION AUTHORITY FOR CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1993" and inserting in lieu thereof in each instance "September 30, 1995".

(f) AUTHORITY FOR TEMPORARY PROMOTIONS OF CERTAIN NAVY LIEUTENANTS.—Section 5721(f) of title 10, United States Code, is repealed.

(g) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1993", and inserting in lieu thereof "October 1, 1995".

(h) SPECIAL PAY FOR REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1993" and inserting in lieu thereof "September 30, 1995."

(i) SPECIAL PAY FOR ENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1993" and inserting in lieu thereof "September 30, 1995".

(j) EXTENSION OF RESERVE ENLISTMENT AND REENLISTMENT BONUS AUTHORITIES.—Sections 308b(f), 308c(e), 308e(e), 308h(g) and 308i(i) of title 37, United States Code are each amended by striking out "September 30, 1993"and inserting in lieu thereof in each instance "September 30, 1995".

(k) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.—Section 613(d) of the National Defense Authorization Act, Fiscal Year 1989 (37 U.S.C. 302 note) is amended by striking out "September 30, 1993" and inserting in lieu thereof "September 30, 1995".

(l) CONSERVATION ACTIVITIES ON MILITARY INSTALLATIONS.—Sections 106(b) and 106(c) of Public Law 86-797 (16 U.S.C. 670f (b) and (c)) are each amended by striking out "and 1993," and inserting in lieu thereof in each instance "1993, 1994, and 1995".

(m) REDUCTION IN TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370(a)(2) of title 10, United States Code, is amended by striking out "five-year period" and inserting in lieu thereof "ten-year period".

(n) REQUIRED LENGTH OF COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT AS AN OFFICER.—Section 6323(a)(2) of title 10, United States Code, is amended by striking out "five-year period" and inserting in lieu thereof "ten-year period".

(o) JOINT DUTY EXEMPTION FOR NUCLEAR PROPULSION OFFICERS.—Section 619(e)(1) of title 10, United States Code, is amended by striking out "January 1, 1994" and inserting in lieu thereof "January 1, 1996".

(p) MODIFICATION OF RULES FOR CONTINUATION ON ACTIVE DUTY.—Section 638a of title 10, United States Code, is amended by striking out "five-year period" and inserting in lieu thereof "ten-year period".

(q) RETIREMENT OF CERTAIN LIMITED DUTY OFFICERS OF THE NAVY.—Title 10, United States Code, as amended by section 504 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 1106 Stat. 2315, 2403), is amended—

(1) in section 633, by striking out in the last sentence "and ending on October 1, 1995,";

(2) in section 634, by striking out in the last sentence "and ending on October 1, 1995,";

(3) in section 6383(a) by striking out paragraph 5 and inserting in lieu thereof the following:

"(5) Paragraphs (2) through (4) shall be effective July 1, 1993,"; and

(4) in section 6383(i), by striking out in the last sentence "During the period beginning on July 1, 1993, on ending on October 1, 1995," and inserting in lieu thereof "Beginning on July 1, 1993,".

(r) EXTENSION OF LIMITATION ON PERIOD OF MANAGEMENT OF DEFENSE BUSINESS OPERATIONS FUND.—Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1338; 10 U.S.C. 2208 note) is amended by striking out "April 15, 1994" and inserting in lieu thereof "April 15, 1995".

Subtitle B—Retired Pay and Survivor Benefits

SEC. 611. DISABILITY COVERAGE FOR OFFICER CANDIDATES GRANTED EXCESS LEAVE.

(a) INCLUSION OF OFFICER CANDIDATES IN ELIGIBILITY FOR RETIRED PAY.—That portion of section 1201 of title 10, United States Code, which precedes paragraph (1) is amended to read as follows:

"Upon a determination by the Secretary concerned that a member of a regular component of the armed forces entitled to basic pay; any other member of the armed forces entitled to basic pay who has been called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days; or a member of the armed forces who is not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) of title 37 to participate in a program leading to appointment, designation, or assignment in an officer category, is unfit to perform the duties of his office, grade, rank, or rating because of physical disability incurred while entitled to basic pay, or while not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) of title 37 to participate in a program leading to appointment, designation, or assignment in an officer category, the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also determines that—".

(b) INCLUSION OF OFFICER CANDIDATES IN ELIGIBILITY FOR ASSIGNMENT TO THE TEMPORARY DISABILITY RETIRED LIST.—Section 1202 of title 10, United States Code, is amended to read as follows:

"Upon a determination by the Secretary concerned that a member of a regular component of the armed forces entitled to basic pay; any other member of the armed forces entitled to basic pay who has been called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days; or a member of the armed forces who is not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) of title 37 to participate in a program leading to appointment, designation, or assignment in an officer category, would be qualified for retirement under section 1201 of this title but for the fact that his disability is not determined to be of a permanent nature, the Secretary shall, if he also determines that accepted medical principles indicate that the disability may be of a permanent nature, place the member's name on the temporary disability retired list, with retired pay computed under section 1401 of this title.".

(c) INCLUSION OF OFFICER CANDIDATES IN ELIGIBILITY FOR DISABILITY SEPARATION PAY.—That portion of section 1203 of title 10, United States Code, that precedes paragraph (1) is amended to read as follows:

"Upon a determination by the Secretary concerned that a member of a regular component of the armed forces entitled to basic pay; any other member of the armed forces entitled to basic pay who has been called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days; or a member of the armed forces who is not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) of title 37 to participate in a program leading to appointment, designation, or assignment in an officer category, is unfit to perform the duties of his office, rank or rating because of physical disability incurred while entitled to basic pay, or while not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) or title 37 to participate in a program leading to appointment, designation, or assignment in an officer category, the member may be separated from his armed force with severance pay computed under section 1212 of this title, if the Secretary also determines that—".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of enactment and shall apply to any physical disability that may be incurred by a member who is not entitled to basic pay because he is authorized by the Secretary concerned under section 502(b) of title 37, United States Code, to participate in a program leading to the appointment, designation, or assignment in an officer category on and after such date.

SEC. 612. TERMINATION OF SERVICEMEN'S GROUP LIFE INSURANCE WHEN PREMIUMS ARE NOT PAID.

Section 1969(a)(2) of title 38, United States Code, is amended by adding at the end the following new sentence: "Notwithstanding the provisions of section 1968(a)(4) of this title, a member who is required to make a direct remittance of costs to one of the Armed Forces and who fails to make a timely payment of premiums as required will be deemed to have made a written request for discontinuance of his or her Servicemen's Group Life Insurance as required by section 1968(a) of this title. The Secretary concerned shall not terminate the insurance of such members without first providing written notification at least 60 days in advance of the proposed termination date.".

Subtitle C—Other Matters

SEC. 621. AUTHORIZATION OF PAYMENT OR COLLECTION DUE TO FLUCTUATIONS OF FOREIGN CURRENCY INCURRED BY CERTAIN MILITARY MEMBERS.

(a) IN GENERAL.—Section 405(d) of title 37, United States Code, is amended to read as follows:

"(d) In the case of a member of the uniformed services authorized to receive a per diem allowance under subsection (a), the Secretary concerned may make a lump-sum payment for nonrecurring expenses incurred by the member in occupying private housing outside of the United States if authorized or approved under regulations prescribed by the Secretary concerned, including losses experienced by a member upon the return of refundable housing related deposits or as a result of other transactions necessary to secure housing where losses are incurred solely as the result of fluctuation in the relative values of U.S. and foreign currencies. Any currency fluctuation gains made by the member upon the return of a refundable housing-related deposit shall be recouped by the Secretary concerned. Expenses for which payments are made under this subsection may not be considered for purposes of determining the per diem allowance of the member under subsection (a).".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1993.

SEC. 622. REVISIONS TO SECURITY DEPOSIT WAIVER PROGRAM.

Section 1055(c) of title 10, United States Code, is amended—

(1) by striking out paragraph (2); and

(2) by striking out "(1)" at the beginning of the first paragraph.

SEC. 623. EXTENSION OF DESERT SHIELD POSTPONEMENT OF CERTAIN TAX-RELATED ACTS TO OTHER CONTINGENCY OPERATIONS.

Section 7508 of the Internal Revenue Code of 1986 is amended—

(1) in subsection (f), by striking out "DESERT SHIELD services" each place such phrase appears and inserting in lieu thereof "contingency operation services" in each instance;

(2) by amending subsection (f)(2)(A) to read as follows:

"(A) such services are performed in the area designated by the Secretary of Defense pursuant to this subparagraph as a contingency operation area, and";

and

(3) by amending subsection (f)(2)(B) to read as follows:

"(B) such services are performed during the period designated by the Secretary of Defense as the period of contingency operations in the area designated referred to in subparagraph (A).".

SEC. 624. INCLUSION OF VICTIMS OF TERRORISM IN CERTAIN TITLE 37 BENEFITS.

(a) IN GENERAL.—Section 559 of title 37, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 559. Benefits: victims of terrorism; members held as captives"; and

(2) in subsection (a)(1), by striking out "if Congress provides to such a member, in an Act enacted after August 27, 1986, monetary payment in respect of such period of captivity".

(b) CLERICAL AMENDMENT.—The item relating to section 559 in the table of sections at the beginning of chapter 10 of title 37, United States Code, is amended to read as follows:

"559. Benefits: victims of terrorism; members held as captives.".

SEC. 625. PERMANENT AUTHORITY FOR FORMER PRISONERS OF WAR TO CLAIM PAYMENTS BECAUSE OF VIOLATION OF THE GENEVA CONVENTIONS.

Section 6 of the War Claims Act of 1948 (50 App. U.S.C. 2005) is amended by inserting after subsection (g) the following new subsection:

"(h)(1) As used in this subsection, the term 'prisoner of war' means any regularly appointed, enrolled, enlisted, or inducted member of the Armed Forces of the United States who was held in captivity as a prisoner of war for any period that, unless the Congress so determines first by concurrent resolution, the President determines for purposes of this subsection to have been a period of conflict with a force hostile to the United States, except any such member who, at any time, voluntarily, knowingly, and without duress gave aid to or collaborated with, or in any manner served, such hostile force.

"(2) The Commission is authorized to receive and to determine, according to law, the amount and validity, and provide for payment of any claim filed by any prisoner of war for compensation for the failure of the hostile force by which he was held as a prisoner of war, or its agents, to furnish him the quantity or quality of food prescribed for prisoners of war under the terms of the Geneva Convention of August 12, 1949. Each claimant is required to bear all burdens of proof under this section. The compensation allowed to any prisoner of war under the provisions of this paragraph shall be one-half of the food portion of the world wide average

per diem rate for each day on which he was held as a prisoner of war and on which such hostile force, or its agents, failed to furnish him such quantity or quality food.

"(3) The Commission is authorized to receive and determine according to law, the amount and validity and to provide for the payment of any claim filed by any prisoner of war for compensation—

"(A) for the failure of the hostile force by which he was held as a prisoner of war, or its agents, to meet the conditions and requirements prescribed under Part III, section III, of the Geneva Convention of August 12, 1949, relating to labor of prisoners of war; or

"(B) for inhumane treatment by the hostile force by which he was held, or its agents. The term "inhumane treatment" as used in this subparagraph shall include, but not be limited to, failure of such hostile force, or its agents, to meet the conditions and requirements of one or more of the provisions of article 3, 12, 13, 14, 17, 19, 22, 23, 24, 25, 27, 29, 43, 44, 45, 46, 47, 48, 84, 85, 86, 87, 88, 89, 90, 97 or 98 of the Geneva Convention of August 12, 1949.

"Compensation shall be allowed to any prisoner of war under this paragraph up to one-half of the full world wide per diem rate, minus one-half of the food portion, for each day on which he was held as a prisoner of war and with respect to which the alleges and proves in a manner acceptable to the Commission the failure to meet the conditions and requirements described in subparagraph (A) of this paragraph or the inhumane treatment described in subparagraph (B) of this paragraph. In no event shall the compensation allowed to any prisoner of war under this paragraph exceed one-half of world wide per diem rate with respect to any one day.

"(4) Any claim allowed by the Commission under this subsection shall be certified to the Secretary of the Treasury for payment out of funds appropriated pursuant to this subsection and shall be paid by the Secretary of the Treasury to the person entitled thereto, and shall, in the case of death or determination of death of the persons who are entitled, be paid only to or for the benefit of the persons specified, and in the order established, by subsection (d)(4) of this section.

"(5) Each claim filed under this subsection must be filed not later than three years from whichever of the following dates last occurs;

"(A) The date the prisoner of war by whom the claim is filed returned to the jurisdiction of the Armed Forces of the United States; or

"(B) The date upon which the Department of Defense makes a determination that the prisoner of war has actually died or is presumed to be dead, in the case of any prisoner of war who has not returned to the jurisdiction of the Armed Forces of the United States.

"The Commission shall complete its determinations with respect to each claim filed under this subsection at the earliest practicable date, but in no event later than one year after the date on which such claim was filed.

"(6)(A) An action may not be instituted upon a claim hereunder unless the claimant first shall have presented the claim to the Commission and such claim shall have been finally denied by the Commission in writing and sent by certified or registered mail. The failure of the Commission to make a final disposition of a claim within two years thereafter, be deemed a final denial of the claim not apply to such claims as may be asserted under the Federal Rules of Civil Procedure by third party complaint, crossclaim, or counterclaim.

"(B) The acceptance by the claimant of any award, compromise, or settlement shall be final and conclusive on the claimant, and shall constitute a complete release of any claim against the United States by reason of the subject matter of the claim.

"(C) An action instituted under this subsection must be filed not later than two years from whichever of the following dates first occurs:

"(i) The date on which the claim was finally denied by the commission in writing; or

"(ii) The first anniversary of the date on which the claim was filed if the Commission fails to make final disposition of a claim within one year after it is filed.

"(D) An action under this paragraph shall be instituted only in the United States Court of Federal Claims. The Attorney General or his designee may arbitrate, compromise, or settle any claim cognizable under this subsection, after commencement of an action thereon. Attorney fees shall be limited to not more than 20 percent of any award.

"(E) Action under this paragraph shall not be instituted for any sum in excess of the amount of the claim presented to the Commission, except where the increased amount is based upon newly discovered evidence not reasonably discoverable at the time of presenting the claim to the Commission, or upon allegation and proof of intervening facts relating to the amount of the claim.

"(F) Disposition of any claim by the Attorney General or the Commission shall not be competent evidence of liability or amount of damages.

"(7) Any claim allowed under the provisions of this subsection shall be paid from funds appropriated pursuant to paragraph (8) of this subsection.

"(8) There are authorized to be appropriated such amounts as may be necessary to carry out the purposes of this subsection, including necessary administrative expenses.".

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Management

SEC. 701. EXTENSION AND REVISION OF SPECIALIZED TREATMENT SERVICES PROGRAM.

(a) EXTENSION OF PROGRAM.—Section 1079(a)(7)(B) of title 10, United States Code, is amended by striking out "October 1, 1993" and inserting in lieu thereof, "October 1, 1995".

(b) INCLUSION OF FACILITIES PURSUANT TO CONTRACT OR AGREEMENT.—Section 1105 of title 10, United States Code, is amended—

(1) by redesignating the current text as subsection (a); and

(2) by striking out "within the area served by that facility" in the redesignated subsection (a); and

(3) by adding at the end the following new subsections (b), (c), and (d):

"(b) The Secretary of Defense, after consulting with the other administering Secretaries, shall promulgate regulations to implement this section.

"(c) The regulations required by subsection (b) shall include standards for service areas comparable in size to service areas designated for facilities of the uniformed services pursuant to section 1079(a)(7), 1080, and 1086(e).

"(d) The regulations required by subsection (b) may provide for full or partial reimbursement of reasonable expenses for long distance transportation for a covered beneficiary to or from a health care facility (including a facility of the uniformed services or a facility referred to in subsection (a)) at which specialized health care services are provided pursuant to this chapter and long distance transportation, temporary lodging and meals (not to exceed the applicable per diem rate) for a non-medical attendant (including an active duty member) to accompany such beneficiary when the Secretary determines that such reimbursement will permit the health care services to be provided at less total cost to the Department of Defense than if the services were otherwise provided pursuant to this chapter. In lieu for reimbursement for such expenses, the use, when available, of Department of Defense transportation, meals and lodging is authorized.".

SEC. 702. REVISION AND CODIFICATION OF CHAMPUS PHYSICIAN PAYMENT REFORM PROGRAM.

Section 1079(h) of title 10, United States Code, is amended to read as follows:

"(h)(1) Beginning in fiscal year 1994, payment for a charge for services by an individual health care professional (or other non-institutional health care provider) for which a claim is submitted under a plan contracted for under subsection (a) may not exceed the amounts allowed in fiscal year 1993 for similar services, except that:

"(A) for services for which the Secretary of Defense determines an increase is justified by economic circumstances, the allowable amounts may be increased in accordance with appropriate economic index data similar to that used pursuant to title XVIII of the Social Security Act; and

"(B) for services the Secretary determines are overpriced in comparison to amounts allowed pursuant to title XVIII of the Social Security Act, the allowable amounts shall be reduced by not more than 15 percent.

"(2) In implementing the requirements of paragraph (1), the following shall apply:

"(A) Any reduction required by paragraph (1)(B) may be waived by the Secretary if the Secretary determines that such reduction would impair adequate access to health care services for beneficiaries.

"(B) The Secretary shall adopt a limitation, similar to that used pursuant to title XVIII of the Social Security Act, on the extent to which a provider may bill a beneficiary an actual charge in excess of the amount allowed under paragraph (1).

"(C) The Secretary shall consult with the other administering Secretaries and solicit public comment prior to promulgating regulations to implement this section.".

SEC. 703. CODIFICATION OF CHAMPUS PEER REVIEW ORGANIZATION PROGRAM PROCEDURES.

Section 1079 of title 10, United States Code, is further amended by adding at the end thereof the following new subsection:

"(o) Health care services provided pursuant to this section or section 1086 of this title shall not include services determined under the CHAMPUS Peer Review Organization program to be not medically or psychologically necessary. The Secretary of Defense, after consulting with the other administering Secretaries, may adopt by regulation any quality and utilization review requirements and procedures in effect for the Peer Review Organization program under title XVIII of the Social Security Act (Medicare) that the Secretary determines necessary, and may adapt the Medicare requirements and procedures to the circumstances of the CHAMPUS PRO program as the Secretary determines appropriate.".

SEC. 704. AWARD OF CONSTRUCTIVE SERVICE CREDIT FOR ADVANCED HEALTH PROFESSIONAL DEGREES.

(a) CREDIT ON ORIGINAL APPOINTMENT.—Section 533(b)(1) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "professional" in the first sentence after "One year for each year of advanced";

(B) by striking out "Except as provided in clause (E), in" at the beginning of the second sentence and inserting in lieu thereof "In"; and

(C) by striking out "postsecondary education in excess of four that are" in the second sentence and inserting in lieu thereof "advanced education";

(2) by striking out subparagraph (E); and

(3) by redesignating subparagraph (F) as subparagraph "(E)".

(b) CREDIT AS RESERVE OF THE ARMY.—Section 3353(b)(1) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "professional" in the first sentence after "One year for each year of advanced";

(B) by striking out "Except as provided in clause (E), in" at the beginning of the second sentence and inserting in lieu thereof "In"; and

(C) by striking out "postsecondary education in excess of four that are" in the second sentence and inserting in lieu thereof "advanced education";

(2) by striking out subparagraph (E); and

(3) by redesignating subparagraph (F) as subparagraph "(E)".

(c) CREDIT IN THE NAVAL RESERVE AND MARINE CORPS RESERVE.—Section 5600(b)(1) of title 10, United States Code, as amended—

(1) in subparagraph (A)—

(A) by inserting "professional" in the first sentence after "One year for each year of advanced";

(B) by striking out "Except as provided in clause (E), in" at the beginning of the second sentence and inserting in lieu thereof "In"; and

(C) by striking out "postsecondary education in excess of four that are" in the second sentence and inserting in lieu thereof "advanced education";

(2) by striking out subparagraph (E); and

(3) by redesignating subparagraph (F) as subparagraph "(E)".

(d) CREDIT AS RESERVE OF THE AIR FORCE.—Section 8353(b)(1) of title 10, United States Code, as amended—

(1) in subparagraph (A)—

(A) by inserting "professional" in the first sentence after "One year for each year of advanced";

(B) by striking out "Except as provided in clause (E), in" at the beginning of the second sentence and inserting in lieu thereof "In"; and

(C) by striking out "postsecondary education in excess of four that are" in the second sentence and inserting in lieu thereof "advanced education";

(2) by striking out subparagraph (E); and

(3) by redesignating subparagraph (F) as subparagraph "(E)".

SEC. 705. CODIFICATION OF REVISED GOVERNANCE STRUCTURE OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) IN GENERAL.—Section 2113 of title 10, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 2113. Authority of Secretary; Board of Regents";

(2) by amending subsections (a) and (b) to read as follows:

"(a) The business of the University shall be conducted by the Secretary of Defense.

"(b)(1) There shall be a Board of Regents (hereinafter in this chapter referred to as the "Board"), which shall serve as an advisory board to the Secretary of Defense, especially concerning academic affairs of the University. The Board shall consist of—

"(A) nine persons outstanding in the fields of health, health education, or other fields, who shall be appointed from civilian life by the President of the United States;

"(B) the surgeons general of the uniformed services, who shall be ex officio members; and

"(C) the President of the University, who shall be an ex officio member.

"(2) The term of each member of the Board (other than ex officio members) shall be six years except that—

"(A) any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(B) any member whose term of office has expired shall continue to serve until his successor is appointed.";

(3) in subsection (c), by inserting "of the United States" after "President";

(4) by amending subsection (d) to read as follows:

"(d) The Secretary shall appoint a President of the University, who shall also serve as a nonvoting ex officio member of the Board.";

(5) in subsection (e), by striking out "$100" and inserting in lieu thereof "$300";

(6) in subsection (f)—

(A) by striking out "Board" each time it appears and inserting in lieu thereof "Secretary"; and

(B) in paragraph (1), by striking out "after considering the recommendations of the Dean,";

(7) in subsection (g)—

(A) by striking out "Board" each time it appears and inserting in lieu thereof "Secretary"; and

(B) by striking out "subject to the approval of the Secretary of Defense" in the last sentence;

(8) in subsection (h), by striking out "Board" and inserting in lieu thereof "Secretary";

(9) in subsection (i), by striking out "Board" and inserting in lieu thereof "Secretary"; and

(10) in subsection (j)—

(A) by striking out "Board" each time it appears and inserting in lieu thereof in each instance "Secretary"; and

(B) in paragraph (1)(A), by inserting "or cooperative agreements" after "contracts".

(b) CLERICAL AMENDMENT.—The item relating to section 2113 in the table of sections at the beginning of chapter 104 of title 10, United States Code, is amended to read as follows:

"2113. Authority of Secretary; Board of Regents.".

SEC. 706. CLARIFICATION OF AUTHORITY FOR GRADUATE STUDENT PROGRAM OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

Section 2114 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "Students" in the first sentence and inserting in lieu thereof "Medical students";

(2) in subsection (b), by striking out "Students" in the first and fourth sentences and inserting in lieu thereof in each instance "Medical students";

(3) in subsection (d), by inserting "commissioned" before the word "member" in the first sentence; and

(4) by adding at the end the following new subsection:

"(g) The Secretary of Defense shall establish selection procedures, service obligations (if any), and other requirements the Secretary determines appropriate for students in any postdoctoral, postgraduate, or technological institutes established pursuant to section 2113(h) of this title.".

SEC. 707. MODIFICATION OF DATE FOR DELIVERY OF HEALTH CARE SERVICES UNDER CHAMPUS REFORM INITIATIVE CONTRACT.

Section 713(b) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1073 note) is amended by inserting ", or as soon thereafter as is practicable" after "August 1, 1993".

SEC. 708. AUTHORITY FOR THE ARMED FORCES INSTITUTE OF PATHOLOGY TO OBTAIN ADDITIONAL DISTINGUISHED PATHOLOGISTS AND SCIENTISTS.

Section 176(c) of title 10, United States Code, is amended by adding at the end the following new sentence: "The Secretary of Defense, on a case-by-case basis, may waive the limitation of six distinguished pathologists or scientists if the Secretary determines that such waiver is in the best interest of Department of Defense.".

Subtitle B—Other Matters

SEC. 711. EXCLUSION OF EXPERIENCED MILITARY PHYSICIANS FROM MEDICARE DEFINITION OF NEW PHYSICIAN.

(a) CHARGES IN RURAL AREAS; EFFECT OF UNIFORMED SERVICE EXPERIENCE.—Section 1842(b)(4)(F)(i) of the Social Security Act (42 U.S.C. 1395u(b)(4)(F)) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to any health care practitioner who has served at least four years as a health care practitioner in one of the uniformed services.".

(b) CHARGES BY NEW PHYSICIANS; EFFECT OF UNIFORMED SERVICE EXPERIENCE.—Section 1848(a)(4) of the Social Security Act (42 U.S.C. 1395w-4(a)(4)) is amended by inserting ", or to any physician who has served at least four years as a physician in one of the uniformed services" before the period at the end of the second sentence.

SEC. 712. REPEAL OF THE STATUTORY RESTRICTION ON USE OF FUNDS FOR ABORTIONS.

(a) IN GENERAL.—Section 1093 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of Chapter 55, United States Code, is amended by striking the item referring to section 1093.

TITLE VIII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Office of the Secretary of Defense

SEC. 801. AUTHORIZATION FOR CERTAIN ORGANIZATIONAL CHANGES IN THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) REORGANIZATION OF THE OFFICE OF THE SECRETARY OF DEFENSE.—Chapter 4 of title 10, United States Code, is amended—

(1) by redesignating sections 135, 136, 138, 139, 140, and 141 as sections 137, 138, 139, 140, 141, and 142, respectively;

(2) by redesignating section 137 as section 135;

(3) by inserting after section 135, as redesignated by paragraph (2), the following new section:

"§ 136. Under Secretary of Defense for Personnel And Readiness

"(a) There is an Under Secretary of Defense for Personnel and Readiness, appointed from civilian life by the President, by and with the consent of the Senate.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the

Under Secretary of Defense for Personnel and Readiness shall perform such duties and exercise such powers as the Secretary of Defense may prescribe in the areas of military readiness, total force management, military and civilian personnel requirements, military and civilian personnel training, military and civilian family matters, personnel requirements for weapons support, National Guard and Reserve components, and health affairs.

"(c) The Under Secretary of Defense for Personnel and Readiness takes precedence in the Department Defense after the Comptroller.";

(4) by amending subsection 131(b) to read as follows:

"(b) The Office of he Secretary of Defense is composed of the following:

"(1) The Deputy Secretary of Defense.

"(2) The Under Secretary of Defense for Acquisition and Technology.

"(3) The Under Secretary of Defense for Policy.

"(4) The Comptroller.

"(5) The Under Secretary of Defense for Personnel and Readiness.

"(6) The Director of Defense Research and Engineering.

"(7) The Assistant Secretaries of Defense.

"(8) The director of Operational Test and Evaluation.

"(9) The General Counsel of the Department of Defense.

"(10) The Inspector General of the Department of Defense.

"(11) Such other offices and officials as may be established by law or the Secretary of Defense may establish or designate in the office.";

(5) in section 133, by striking out "Under Secretary of Defense for Acquisition" each place such term appears, to include the heading for the section, and by inserting in lieu thereof in each instance, to include the heading for such section, "Under Secretary of Defense for Acquisition and Technology";

(6) in section 133a, by striking out "Deputy Under Secretary of Defense for Acquisition" each place such term appears, to include the heading for such section, and by inserting in lieu thereof in each instance, to include the heading for such section, "Deputy Under Secretary of Defense of Acquisition and Technology";

(7) in section 138, as redesignated by this section (formerly section 136)—

(A) in subsection (a), by striking out "eleven" and inserting in lieu thereof "nine"; and

(B) in subsection (d), by inserting "and Comptroller" after "Under Secretaries of Defense"; and

(8) by amending the Table of Sections at the beginning of such chapter to read as follows:

"Sec.
"131. Office of the Secretary of Defense.
"132. Deputy Secretary of Defense.
"133. Under Secretary of Defense for Acquisition and Technology.
"133a. Deputy Under Secretary of Defense for Acquisition and Technology.
"134. Under Secretary of Defense for Policy.
"134a. Deputy Under Secretary of Defense for Policy.
"135. Comptroller.
"136. Under Secretary of Defense for Personnel and Readiness.
"137. Director of Defense Research and Engineering.
"138. Assistant Secretaries of Defense.
"139. Director of Operational Test and Evaluation.
"140. General Counsel.
"141. Inspector General.
"142. Assistant to the Secretary of Defense for Atomic Energy.".

(b) ADDITION TO TWO POSITIONS AT LEVEL III OF THE EXECUTIVE SCHEDULE AND THREE CONFORMING AMENDMENTS TO THE EXECUTIVE SCHEDULE.—Subchapter II of chapter 53 of title 5, United States Code, is amended—

(1) in section 5313 (positions at level II), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(2) in section 5314 (positions at level III)—

(A) by inserting after "Under Secretary of Defense for Policy" the following:

"Comptroller of the Department of Defense.

"Under Secretary of Defense for Personnel and Readiness."; and

(B) by striking out "Deputy Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Deputy Under Secretary of Defense for Acquisition and Technology."; and

(3) in section 5315 (positions at level IV), by striking out "Assistant Secretaries of Defense (11)." and inserting in lieu thereof "Assistant Secretaries of Defense (9).".

(c) CONFORMING AMENDMENTS TO REFLECT NEW TITLE FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.—Title 10, United States Code, is amended—

(1) in section 134(c), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(2) in section 137(b), as redesignated by this Act, by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(3) in section 140, as redesignated by this Act, by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof, in each instance, "Under Secretary of Defense for Acquisition and Technology";

(4) in section 171(a), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(5) in section 179(a), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(6) in section 1702, to include the catchline for such section, by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(7) in the table of sections for subchapter I of chapter 87, in the item for section 1702, by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(8) in section 1703, by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(9) in section 1707(a), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(10) in section 1722, by striking out "Under Secretary of Defense for Acquisition", each place it appears, and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(11) in section 1735(c), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(12) in section 1737(c), by striking out "Under Secretary of Defense for Acquisition", each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(13) in section 1741(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(14) in section 1746(a), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(15) in section 1761(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(16) in section 1762(a), by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof in each place "Under Secretary of Defense for Acquisition and Technology";

(17) in section 1763, by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(18) in section 2304(f), by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(19) in section 2308(b), by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(20) in section 2325(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(21) in section 2329, by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(22) in section 2350a, by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(23) in section 2369, by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(24) in section 2399(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(25) in section 2435(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(26) in section 2436(d), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(27) in section 2438(c), by striking out "Under Secretary of Defense for Acquisition" each place it appears and inserting in lieu thereof at each place "Under Secretary of Defense for Acquisition and Technology";

(28) in section 2503(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under

Secretary of Defense for Acquisition and Technology";

(29) in section 2523(a), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(30) in section 2534(b), by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(31) in section 171(a), by striking out "Deputy Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Deputy Under Secretary of Defense for Acquisition and Technology".

Subtitle B—Professional Military Education

SEC. 811. AUTHORIZATION FOR THE AWARD OF THE MASTER OF SCIENCE OF NATIONAL SECURITY STRATEGY DEGREE AND THE MASTER OF SCIENCE OF NATIONAL RESOURCE STRATEGY DEGREE.

(a) IN GENERAL.—Chapter 108 of title 10, United States Code, is amended by inserting after section 2162 the following new section:

"§ 2168. National Defense University: master of science of national security strategy and master of science of national resource strategy

"(a) MASTER OF SCIENCE OF NATIONAL SECURITY STRATEGY.—Under regulations prescribed by the Secretary of Defense, and upon recommendation by the faculty and commandant of the National War College, the President of the National Defense University may confer the degree of master of science of national security strategy upon graduates of the National War College who have fulfilled the requirements for that degree.

"(b) MASTER OF SCIENCE OF NATIONAL RESOURCE STRATEGY.—Under regulations prescribed by the Secretary of Defense, and upon recommendation by the faculty and commandant of the Industrial College of the Armed Forces, the President of the National Defense University may confer the degree of master of science of national resource strategy upon graduates of the Industrial College of the Armed Forces who have fulfilled the requirements for that degree."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2162 the following new item:

"2163. National Defense University: master of science of national security strategy and master of science of national resources strategy.".

Subtitle C—Other Matters

SECTION 821. AUTHORITY FOR CIVILIAN ARMY EMPLOYEES TO ACT ON REPORTS OF SURVEY.

Section 4835 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting "or any civilian employee of the Department of the Army" after "any officer of the Army"; and

(2) in subsection (b), by striking out "an officer of the Army designated by him." and inserting in lieu thereof "his designee. The Secretary may designate officers of the Army or civilian employees of the Department of the Army to approve such action.".

SEC. 822. ESCORTS AND FLAGS FOR CIVILIAN EMPLOYEES WHO DIE WHILE SERVING IN AN ARMED CONFLICT WITH THE ARMED FORCES.

(a) IN GENERAL.—Title 10, United States Code, is amended by inserting after section 1482 the following new section:

"§ 1482a. Expenses incident to death of civilian employees serving in a contingency operation

"(a) The Secretary of Defense, the Secretary of Transportation, and the Secretaries concerned may pay the following expenses incident to the death of a civilian employee who dies while serving with an armed force in a contingency operation:

"(1) Round-trip transportation and prescribed allowances for one person to escort the remains of the employee to the place authorized under section 5742(b)(1) of title 5.

"(2) Presentation of a flag of the United States to the next of kin of the employee.

"(3) Presentation of a flag of equal size to the flag presented under paragraph (2) to the parents or parent, if the person to be presented a flag under paragraph (2) is other than the parent of the decreased. For the purposes of this paragraph, the term 'parent' has the meaning given that term in section 1482(a)(11) of this title.

"(b) The Secretary of Defense shall prescribe regulations to implement this section. The Secretary of Transportation shall prescribe regulations to implement this section with regard to civilian employees of the Department of Transportation. Such regulations shall be uniform to the extent possible.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 75 of this title is amended by inserting after the item relating to section 1482 the following new item:

"1482a. Expenses incident to death of civilian employees serving in a contingency operation.".

SEC. 823. PROVIDING FLEXIBILITY IN THE OFFICE OF THE INSPECTORS GENERAL OF THE UNITED STATES ARMY AND AIR FORCE.

(A) ARMY.—Section 3020(e) of title 10, United States Code, is amended by striking "shall be" in the last sentence and inserting in lieu thereof "may be either (1) a civilian appointed in the competitive service or in the Senior Executive Service as a career appointee, or (2)".

(b) AIR FORCE.—Section 3020(e) of title 10, United States Code, is amended by striking "shall be" in the last sentence and inserting in lieu thereof "may be either (1) a civilian appointed in the competitive service or in the Senior Executive Service as a career appointee, or (2)".

TITLE IX—GENERAL PROVISIONS

SEC. 901. AWARDING OF GOLD STAR LAPEL BUTTONS TO SURVIVORS OF UNITED STATES SERVICEMEMBERS KILLED BY TERRORIST ACTS.

Section 1126 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "or" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2)(iii) and inserting in lieu thereof a semicolon; and

(C) by inserting after paragraph (2) the following new paragraphs:

"(3) who lost or lose their lives after March 28, 1973, as a result of an international terrorist attack against the United States or a foreign nation friendly to the United States, recognized as such an attack by the Secretary of the department concerned, or jointly by the Secretaries of the departments concerned if persons from more than one department are killed in the attack; or

"(4) who lost or lose their lives after March 28, 1973, as a result of military operations, while serving outside the territory of the United States as part of a peace keeping force."; and

(2) in subsection (d), by inserting after paragraph (6) the following new paragraphs:

"(7) The term 'military operations' includes military personnel assisting in U.S. government sponsored training of foreign nations' military personnel.

"(8) The term 'Peace Keeping Force' includes authorized United Nations peace keeping operations.".

SEC. 902. AVIATION LEADERSHIP PROGRAM.

(a) IN GENERAL.—Title 10, United States Code, is amended by inserting after chapter 903 the following new chapter:

"CHAPTER 905—AVIATION LEADERSHIP PROGRAM

"Sec.
"9381. Findings.
"9382. Establishment of program.
"9383. Supplies and clothing.
"9384. Allowances.
"9385. Coordination with the Secretary of State.

"§ 9381. Findings

"The Congress finds—

"(1) that the training of pilots from the air forces of friendly foreign nations in the United States furthers United States interests, promotes closer relations, and advances the national security;

"(2) that many friendly foreign nations cannot afford to reimburse the United States for the cost of such training provided; and

"(3) that it is in the national interest to authorize the Secretary of the Air Force to establish a program of pilot training for personnel of the air forces of friendly, less developed foreign nations.

"§ 9382. Establishment of program

"The Secretary of the Air Force may establish and maintain an Aviation Leadership Program which will provide undergraduate pilot training and necessary related training (including, but not limited to, language training and programs to promote better awareness and understanding of the democratic institutions and social framework of the United States) to selected personnel of the air forces of friendly, less-developed foreign nations.

"§ 9383. Supplies and clothing

"(a) Under such conditions as he may prescribe, the Secretary of the Air Force may provide to persons receiving training under this chapter—

"(1) transportation incident to such training;

"(2) supplies and equipment for the use of such persons during training;

"(3) flight clothing and other special clothing required for training; and

"(4) billeting, food, and health services.

"(b) The Secretary may authorize such expenditures from the appropriations of the Air Force as he considers necessary for the efficient and effective maintenance of the Program in accordance with this chapter.

"§ 9384. Allowances

"The Secretary of the Air Force may pay to persons receiving training under this chapter a living allowance at a rate to be prescribed by him, taking into account the amount of living allowances authorized for members of the U.S. armed forces under similar circumstances.

"§ 9385. Coordination with the Secretary of State

"Each proposal for training under this chapter shall be planned and implemented in coordination with the Secretary of State.".

(b) CLERICAL AMENDMENT.—(1) The table of contents of title 10, United States Code, at the beginning of such title, is amended—

(A) in part III of subtitle D the first occasion it appears, by inserting after the item relating to chapter 903 the following new item:

"905. Aviation Leadership Program ..... 9381"; and

(B) in part III of subtitle D the second occasion it appears, by inserting after the item relating to section 9355 the following new items:

"CHAPTER 905—AVIATION LEADERSHIP PROGRAM

"Sec.
"9381. Findings.
"9382. Establishment of program.
"9383. Supplies and clothing.
"9384. Allowances.
"9385. Coordination with the Secretary of State.".

(2) The table of chapters of subtitle D of title 10, United States Code, at the beginning of such subtitle, and the table of chapters of part III of subtitle D of title 10, United States Code, at the beginning of such part, are amended by inserting after the item relating to chapter 903 in both instances the following new item:

"905. Aviation Leadership Program ..... 9381".

TITLE X—MATTERS RELATING TO ALLIES AND OTHER NATIONS

SEC. 1001. EXCHANGE OF PERSONNEL BETWEEN THE UNITED STATES ARMED FORCES AND FOREIGN DEFENSE DEPARTMENTS OR MINISTRIES.

(a) AUTHORIZATION FOR PERSONNEL EXCHANGES.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 the following new section:

"§ 1052. Exchange of personnel of the United States Armed Forces with foreign defense departments or ministries

"(a) Subject to any other provision of law, the Secretary of Defense may enter into agreements with the governments of allied and friendly foreign countries for the exchange of military and civilian personnel of the United States Armed Forces and such personnel of the defense departments or ministries of such foreign governments. Pursuant to these agreements, personnel of foreign defense departments or ministries may be assigned to positions in the United States Armed Forces, and personnel of the United States Armed Forces may be assigned to positions in foreign defense departments or ministries. In the case of agreements for the exchange of personnel engaged in research and development activities, such agreements may provide for assignments to positions in private industry which support the foreign defense departments or ministries. The specific positions and the individuals to be assigned must be acceptable to both governments. These agreements shall be based on the principle of reciprocity such that each government will provide personnel of essentially equal qualifications, training, and skill. Salary, per diem, cost of living, travel, cost of language or other training, and other costs (except for cost of temporary duty directed by the host government and costs incident to the use of host government facilities in the performance of assigned duties) shall be paid by each government for its own personnel in accordance with its laws and regulations.

"(b) Personnel assigned to the United States and United States personnel assigned to a foreign government under subsection (a) shall not be required to take an oath of allegiance to their host nation and shall hold no official capacity in the host nation.

"(c) The foregoing shall not limit the authority of the Secretaries of the military departments to conclude agreements for the exchange of active duty military personnel pursuant to proper legal authority upon the same conditions of reciprocity and cost as specified herein and in conformance with such regulations as the Secretary of Defense may promulgate."; and

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1052. Exchange of personnel of the United States Armed Forces with foreign defense departments or ministries.".

SEC. 1002. TRANSFER OF CERTAIN DEFENSE ARTICLES IN THE WAR RESERVE ALLIES STOCKPILE TO THE REPUBLIC OF KOREA.

Subject to any other provision of law and notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the Secretary of Defense is authorized to transfer to the Republic of Korea, in return for concessions to be negotiated by the Secretary, all or any part of obsolete or surplus (no longer used by the United States) equipment, tanks, weapons, repair parts, and ammunition in the inventory of the Department of Defense which is intended for use as reserve stocks for the Republic of Korea and is located, or is subject to being located, in a stockpile in the Republic of Korea on the date of enactment of this Act. The concessions (including cash compensation, services, waiver of charges otherwise payable by the United States, and other items of value) to be negotiated by the Secretary shall not be less than the fair market value of the items transferred.

SEC. 1003. REPORT REQUIREMENT REPEALED.

Section 1002(d)(2)(A) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2575), relating to a report on the status and cost of the United States commitment to NATO, is repealed.

SEC. 1004. BURDEN SHARING CONTRIBUTIONS BY JAPAN, KUWAIT, AND THE REPUBLIC OF KOREA.

(a) IN GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350j. Burden of sharing contributions

"(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—Notwithstanding section 1306 of title 31, United States Code, the Secretary of Defense may accept cash contributions from Japan, Kuwait, and the Republic of Korea for the purposes specified in subsection (c).

"(b) CREDITS.—Contributions accepted under subsection (a) shall be credited to appropriations of the Department of Defense. The contributions so credited shall be merged with the appropriations and funds to which they are credited.

"(c) AVAILABILITY OF CONTRIBUTIONS.—Contributions accepted under subsection (a) shall be available only for payment of the following costs:

"(1) Compensation for local national employees.

"(2) Military construction projects.

"(3) Supplies and services.

"(d) AUTHORIZATION OF MILITARY CONSTRUCTION.—Contributions credited under subsection (b) to an appropriation account of the Department of Defense may be used—

"(1) by the Secretary of Defense to carry out a military construction project that is consistent with the purposes for which the contribution was made and is not otherwise authorized by law; or

"(2) by the Secretary of a military department, with the approval of the Secretary of Defense, to carry out such a project.

"(e) NOTICE AND WAIT REQUIREMENTS.—(1) When a decision is made to carry out a military construction project under subsection (d), the Secretary of Defense shall submit a report to the congressional defense committees containing—

"(A) an explanation of the need for the project;

"(B) the then current estimate of the cost of the project; and

"(C) a justification for carrying out the project under that subsection.

"(2) The Secretary of Defense or the Secretary of a military department may not commence a military construction project under subsection (d) until the end of the 21-day period beginning on the date on which the Secretary of Defense submits the report under paragraph (1) regarding the project.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter 138 is amended by adding at the end the following new item:

"2350j. Burden sharing contributions.".

(c) REPORTING REQUIREMENT.—Not later than 30 days after the end of each quarter of fiscal year 1994, the Secretary of Defense shall submit to the congressional defense committees a report specifying separately for Japan, Kuwait, and the Republic of Korea—

(1) the amount of the contributions accepted by the Secretary during the preceding quarter under section 2350j of title 10, United States Code, and the purposes for which the contributions were made; and

(2) the amount of the contributions expended by the Secretary during the preceding quarter and the purposes for which the contributions were expended.

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, DC, June 2, 1993.

Hon. AL GORE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a legislative proposal entitled the "National Defense Authorization Act for Fiscal Year 1994". This proposal is part of the Department of Defense legislative program for the 103rd Congress and is needed to carry out the President's fiscal year 1994 budget plan.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President

Title I provides procurement authorization for the Military Departments and for the Defense-wide procurement appropriations in amounts equal to the budget authority included in the President's budget for fiscal year 1994. It also includes one additional provision of a general nature relating to procurement.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the Military Departments and for Defense-wide research, development, test, and evaluation in amounts equal to the budget authority included in the President's budget for fiscal year 1994.

Title III provides for authorization of the operation and maintenance appropriations of

the Military Departments and for Defense-wide operation and maintenance appropriations in amounts equal to the budget authority included in the President's budget for fiscal years 1992 and 1994. Title III also includes appropriations for the purpose of providing capital for working capital and revolving funds of the Department of Defense in amounts equal to the budget authority included in the President's budget for fiscal year 1994.

In addition to the foregoing, Title III contains eight provisions relating to operation and maintenance. The first two sections provide for additional activities in the Defense Business Operations Fund and the National Security Education Trust Fund. The remaining six sections pertain to matters of a more general nature.

Title IV prescribes the personnel strengths for the active forces and the Selected Reserve of each service in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's budget for fiscal year 1994. This title also contains three other provisions relating to military personnel authorizations, of which two sections relate to the end strengths for reserve component members on duty in support of the reserve forces and one section provides for the average military training student loads in the numbers provided for this purpose in the President's budget for fiscal year 1994.

Title V through X of the bill relate to authorizations for the general management and administration of the Department of Defense. Such items are explained in detail in the enclosed sectional analysis.

Enactment of this legislation is of great importance to the Department of Defense and the Department urges its speedy and favorable consideration.

Sincerely,

JAMIE S. GORELICK.

DEPARTMENT OF DEFENSE LEGISLATIVE PROGRAM FOR THE FIRST SESSION OF THE 103D CONGRESS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army

Section 101 authorizes the appropriation of funds for procurement by the Army.

Sec. 102. Navy and Marine Corps

Section 102 authorizes the appropriation of funds for procurement by the Navy and Marine Corps.

Sec. 103. Air Force

Section 103 authorizes the appropriation of funds for procurement by the Air Force.

Sec. 104. Defense-wide Procurement

Section 104 authorizes the appropriation of funds for procurement by the defense-wide procurement.

Sec. 105. Defense Inspector General

Section 105 authorizes the appropriation of funds for procurement by the Defense Inspector General.

Sec. 106. Defense Health Program

Section 106 authorizes the appropriation of funds for procurement by the Defense Health Program.

Sec. 107. Chemical Demilitarization Program

Section 107(a) authorizes the appropriation of funds for procurement by the demilitarization and destruction of lethal chemical weapons in the chemical stockpile as specified in section 1412 of the Department of Defense Authorization Act, 1986.

Section 107(b) repeals the second sentence of section 1412(f) of the Department of Defense Authorization Act, 1986, which specifies that chemical demilitarization funds shall not be included in the budget accounts for any military department consistent with the renaming of the "Chemical Agents and Munitions Destruction, Defense" account to the "Chemical Agents and Munitions Destruction, Army" account as proposed in the President's budget for fiscal year 1994.

Subtitle B—Other Matters

Sec. 111. Repeal of Requirement for Separate Budget Request for Procurement of Reserve Equipment

Section 111 repeals the requirement contained in section 114(e) of title 10, United States Code, that amounts requested for procurement for the reserve forces be set forth separately from other amounts requested for procurement for the Armed Forces.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Authorization of Appropriations

Section 201 authorizes the appropriation of funds for the Armed Forces for research, development, test, and evaluation.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and Maintenance Funding

Section 301 authorizes the appropriation of funds for the Armed Forces for operation and maintenance.

Sec. 302. Working Capital Funds

Section 302 authorizes the appropriation of funds for working capital.

Sec. 303. Additional Activities Included in Defense Business Operations Fund

Section 303 adds the Defense Contract Audit Agency and the Defense Contract Management Command to the activities in the Defense Business Operations Fund.

Sec. 304. National Security Education Trust Fund Obligations

Section 304 authorizes obligations to be incurred in the National Security Education Trust Fund.

Subtitle B—Other Matters

Sec. 311. Amendment Relating to Emergency and Extraordinary Expense Authority for Defense Inspector General

Section 311 amends section 127 of title 10, United States Code, pertaining to emergency and extraordinary expenses, to add provisions covering the Defense Inspector General.

Sec. 312. Repeal of Ceiling on Employees in Headquarters and Non-Management Headquarters and Support Activities

Section 312 repeals the ceiling on employees in headquarters and non-management headquarters support activities contained in section 194 of title 10.

Sec. 313. Flexibility in Administering Requirement For Annual Four Percent Reduction in Number of Civilian Employees Assigned to Headquarters and Headquarters Support Activities

Section 313 provides for flexibility in computing the number of personnel reductions required under the provisions of section 906(a) of the National Defense Authorization Act for Fiscal Year 1991 by permitting personnel in excess of the four percent annual reduction to be counted in a succeeding fiscal year in reaching the required reduction for the succeeding fiscal year.

Sec. 314. National Defense Stockpile Fund Management Improvements

Section 314 contains provisions which will enhance the management of the National Defense Stockpile Transaction Fund. Section 314(a) permits annual sales from the National Defense Stockpile Transaction Fund in an amount not to exceed $500,000,000 and permits the transfer of receipts from such sales to any appropriation available to the Department of Defense. Section 314(b) permits the Secretary of Defense to impose a moratorium on the acquisition of new material for the National Defense Stockpile.

Sec. 315. Clarification of Amendments to CINC Initiative Fund Legislation

Section 315 repeals the provisions of section 9128 of the Department of Defense Appropriations Act which amended the provisions of section 166a of title 10, United States Code, by enacting the provisions contained in section 908 of the Senate passed version of the National Defense Authorization Act for Fiscal Year 1993 and clarifies that the later enacted Authorization Act Conference Committee substitute for that language is the effective provision.

Sec. 316. Pacific Battle Monuments Maintenance

Section 316 authorizes the United States Marine Corps to expend funds from its operations and maintenance budget for the repair and maintenance of certain existing Pacific battle monuments. Legislation authorizing the proposed expenditures is required due to the restrictions contained in sections 123 and 125 of title 36, United States Code, which grant to the American Battle Monuments Commission the sole authority to expend appropriated funds for the erection and maintenance of battle monuments. Section 316 further authorizes appropriations of $150,000 to repair and relocate a monument on Iwo Jima and $15,000 each fiscal year to maintain and repair monuments.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End Strengths for Active Forces

Section 401 authorizes the end strengths (the end of the fiscal year—September 30, 1994) for active duty personnel of the Armed Forces.

Subtitle B—Reserve Forces

Sec. 411. End Strengths for Selected Reserve

Section 411 authorizes the end strengths (the end of the fiscal year—September 30, 1994) for Selected Reserve personnel of the reserve components.

Sec. 412. End Strengths for Reserves on Active Duty in Support of the Reserves

Section 412 authorizes the end strengths (the end of the fiscal year-September 30, 1994) for the Reserves serving on full-time active duty in support of the reserves as contemplated in section 678 of title 10, United States Code.

Sec. 413. Increase in Number of Members in Certain Grades Authorized To Be on Active Duty in Support of the Reserves

Section 413 increases the number of members in the grades of E-9, E-8, Major or Lieutenant Commander, Lieutenant Colonel or Commander, and Colonel or Navy Captain authorized to be on active duty in support of the reserves. The provision amends the tables in section 517 of title 10, United States Code.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of Training Student Loads

Section 421 authorizes the average training student loads for the components of the active and reserve Armed Forces.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Office Personnel Policy

Sec. 501. Authority to Delete From Selection Board Reports and Promotion Lists Names of Officers Erroneously Considered by Promotion Selection Boards

Section 501 amends chapter 36 of title 10, United States Code, by adding a new section 618a to authorize the Service Secretaries to delete the name of a reserve or regular officer on a report of a selection board or on a list of those recommended for promotion when the officer was not eligible for consideration or became ineligible for promotion after selection because of various reasons such as death, resignation, retirement, dismissal, discharge, or removal from the active duty list.

Sec. 502. Amendment to Warrant Officer Management Act to Authorize Involuntary Separations of Certain Regular Warrant Officers

Section 502 amends chapter 33A of title 10, United States Code, by inserting a new section 580a, paralleling those subsections of section 638a which deal with the involuntary separation of regular commissioned officers of the active duty list.

The Department of Defense must significantly reduce its active duty forces by fiscal year 1995. To facilitate force reductions, the Congress, in section 521 of the National Defense Authorization Act for Fiscal Year 1991, provided the Secretaries of the military departments with the authority, upon approval of the Secretary of Defense, to convene selection boards to consider regular officers on the active duty list for involuntary discharge.

Section 521 amended chapter 36 of title 10, United States Code, by inserting a new section 638a. The new section authorizes the Secretaries concerned to convene selection boards to consider for involuntary discharge regular officers in a grade below lieutenant colonel or commander who have served at least one year of active duty in the grade currently held, whose names are not on list of officers recommended for promotion, and who are not eligible to retire and not within two years of becoming so eligible. The section indicates specifically that a discharge under the section shall be considered to be involuntary for any other provision of law. Consequently, officers discharged under section 638a will be eligible for separation pay under section 1174 of title 10 and other readjustment benefits authorized by section 502 of the National Defense Authorization Act for Fiscal Year 1991, such as transitional health care.

The explanatory statement in the Conference Report that accompanied the National Defense Authorization Act for Fiscal Year 1991 indicates that the conferees "expect the military services to maintain the same relationship between officer and enlisted strengths existing at the end of fiscal year 1990 in making active duty end strength reductions in the future." H.R. Rep. No. 923, 101st Cong., 2d Sess. 597 (1990). To maintain this relationship and balanced officer end strengths, it is necessary to have statutory authority to include regular warrant officers in any involuntary separations that may be necessary. While the Department of Defense believes that this force management authority is necessary, the intent is to use voluntary separation authority to the maximum extent possible.

Subtitle B—Reserve Component Matters

Sec. 511. Authorization of Secretarial Selected Reserve Call Up Authority and Expansion of 90-Day Call Up Period

Section 511 amends section 673b of title 10, United States Code, by permitting the activation of Selected Reserve units for an initial period of service of a total of 180 days with an extension for an additional 180 days. Such an amendment would assure the availability of Selected Reserve units to meet operational needs and increase the flexibility of the Total Force in responding to a crisis. Section 8132 of the Department of Defense Appropriations Act, 1991 (Public Law 101-511; 104 Stat. 1856, 1909), granted similar authority to the Secretary of Defense for use in the case of orders to active duty in support of operations in and around the Arabian Peninsula and Operation Desert Shield.

Section 511 further authorizes the Secretary of Defense to order to active duty, without their consent, up to 25,000 members of the Selected Reserve for up to a total of 90 days (not to be extended) for any purpose.

Sec. 512. Consistency in Federal Recognition Qualifications for Members of the National Guard

Section 512 amends section 301 of title 32, United States Code, by providing that the qualifications prescribed for federal recognition of an enlisted member of the National Guard may not differ between members solely on the basis of employment as a National Guard Technician under section 709 of title 32. In addition, section 512 repeals required battle skills training (Public Law 100-456 and 101-189).

Sec. 513. Exception to the Twelve-week Basic Training Period Requirement

Section 513 amends section 671(b) of title 10, which currently provides that during time of war or national emergency a member of the Armed Forces may not be assigned outside the United States until the member has received at least twelve weeks of basic training. Under section 513, Service Secretaries could exempt certain personnel with specialized skills and training, such as health care professionals, from the requirement of twelve weeks of basic training before assignment outside the United States in a time of war or national emergency.

Sec. 514. National Guard Management Initiatives

Section 514 amends titles 10 and 32, United States Code, by eliminating unnecessary restrictions on personnel procedures and by providing greater flexibility in the training, management, and mobilization of the National Guard.

Section 514(a) clarifies section 311 of title 10, to insure that female warrant officers and enlisted personnel are included as members of the militia of the United States.

Sections 514(b) and 514(c) repeal the requirements that a member of the Army National Guard and Air National Guard, respectively, receive a physical examination when called into and again after being mustered out of the federal service.

Section 514(d) extends the period during which all members of a National Guard unit must complete a training assembly from thirty days to ninety days. This will provide greater flexibility in training schedules and will permit commanders to schedule training for individual members or parts of units, such as officer candidate schools and team training in remote areas.

Section 514(e) eliminates the thirty-day notice requirement for termination of technicians when notice is unnecessary such as when a technician voluntarily relinquishes National Guard membership.

Section 514(f) eliminates the restriction on the number of National Guard technicians that may be employed at any one time.

Section 514(g) authorizes the use of National Guard officers to determine that property issued by the United States to the National Guard is unserviceable for purposes of property disposal. Current law requires regular commissioned officers to make these determinations.

Sec. 515. Modification of the Physical Examination Requirement for Members of the Ready Reserve

Section 514 amends section 1004(a)(1) of title 10 by changing the requirement that each member of the Ready Reserve who is not on active duty be examined for physical fitness every five years instead of every four years. Each member still would be required to submit a statement of physical fitness annually. With the need for scarce medical personnel of the active and Reserve components in operational circumstances, this requirement increasingly is a difficult burden to meet. The revision will relieve the pressure and cause little detriment to the readiness of the Reserve force.

Subtitle C—Service Academies

Sec. 521. Procedures for Nominating Candidates for Admission to Service Academies

Section 521 amends Sections 4342(a), 6954(a), 9342(a), title 10, United States Code, by clarifying the procedures for nominating candidates for admission to the United States Military, Naval and Air Force Academies. Previously sections 4342(a), 6954(a), 9342(a), title 10, United States Code, provided that Congressional members were entitled to select nine alternates and one principal candidate. Section 521 replaces such a method of selection and provides that 10 persons shall be chosen. Under section 521, Members of Congress would be permitted to choose one of three methods of selection: one principal candidate and nine unranked persons, one principal and nine ranked persons, or ten unranked persons. Those qualified nominees who are not selected would be considered qualified alternates.

Sec. 522. Graduation Leave for Service Academy Graduates

Section 522 amends section 702 of title 10 to conform with changes recently enacted in section 532 of title 10. Those changes establish that all offices shall be initially commissioned in the Reserves beginning September 30, 1996. Since regular commissions would not be offered, it is appropriate to amend section 702 to eliminate references to commissioning in the regular components as a precondition to granting leave to graduates of the Service academies. Through this amendment, graduates would remain eligible for leave following graduation, as prescribed by section 702.

Subtitle D—Education and Training

Sec. 531. Change to ROTC Advanced Course Admission Requirements

Section 531 authorizes the Secretaries of the Military Departments to prescribe the length of the field training or practice cruise required to join the Reserve Officers' Training Corps Advanced Course. Under current law, the Secretary concerned has authority

to determine the length of training, but it must be at least six weeks in duration (10 U.S.C. 2104 (b)(6)(A)(ii)). The amendment would provide more flexibility in training ROTC cadets.

Subtitle E—Other Matters

Sec. 541. Authority for Non-citizen Spouse and Children of Non-citizen Service Members to Reside with the Member in the United States

Section 541 amends the Immigration and Nationality Act, 8 U.S.C. 1101(a)(15), by creating procedures by which families of permanent resident and alien service members may live together when a member is stationed in the United States.

Sec. 542. Reduction in the Maximum Number of Years for a Military Member to be Maintained on the Temporary Disability Retired List

Section 542 reduces from five to three, the maximum number of years a military member may remain on the temporary disability retired list before a final determination is made. The DOD disability evaluation system maintains a fit and vital force by separating or retiring eligible military members determined to be unfit to perform their duties because of disease or injury incurred while entitled to basic pay. When a disabling condition is unstable and the permanence of the degree of disability cannot be determined, the member is placed on the temporary disability retired list (TDRL). This proposal, recommended by the Department's Inspector General following a recent audit, would reduce the number of individuals retained on TDRL by more than 3,000, resulting in a smaller, more easily managed list. The proposed revision would have no negative effect on the benefit provided to the disabled member. Very few disability ratings are changed after the three year reevaluation. Accordingly, the three year period is considered a sufficient time to determine the permanence of a disabling condition.

Sec. 543. Clarification of Punitive UCMJ Article Regarding Drunken Driving

Section 543 amends section 911(2) of title 10, United States Code, (article 111 of the Uniform Code of Military Justice) to clarify that the concentration of 0.10 grams of alcohol in one's blood or breath is the minimum prohibited concentration, not the only prohibited concentration, for which one operating or in physical control of a vehicle, aircraft, or vessel may be prosecuted.

Sec. 544. Repeal of the Statutory Restriction on the Assignment of Women in the Navy and Marine Corps

Section 544 repeals section 6015 of title 10, United States Code, which prohibits the permanent assignment of women members of the Navy and the Marine Corps to vessels engaged in combat missions except for aviation officers assigned as part of an air wing or other air element. The removal of the statutory restriction is necessary to implement the policy of the Secretary of Defense on the assignment of women in the armed forces.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Variable Housing Allowance for Certain Members who are Required to Pay Child Support and who are Assigned to Sea Duty

Section 601 permits members above paygrade E-6 who are assigned to sea duty and are entitled to a Basic Allowance for Quarters at the with dependent rate solely by reason of child support payments, to be entitled to a variable housing allowance at the without dependents rate. Implementation of Section 601 would cost the Navy $22.2 million per year to execute.

Sec. 602. Pay for Members of the Uniformed Services During Times of War, Hostilities, or National Emergency

The purpose of section 602 is to permit a reduction in the amount of United States currency in circulation overseas during time of war, hostilities, or national emergency. It allows the Secretary concerned to limit the amount of money paid directly to members of the Armed Forces engaged in combat operations overseas.

Currently, members of the uniformed services are paid directly every month unless they have an allotment or assignment of their pay and allowances under the provisions of chapter 15 of title 37, United States Code. Section 1005 of title 37 requires that members of the Army and the Air Force be paid at such time that arrears will not be more than two months, unless circumstances make further delay unavoidable. While in peacetime this procedure works well, during hostilities or national emergency many difficulties occur. In combat, a soldier has little need for large sums of cash, and he would have the practical problem of how to safeguard his money. Large sums of money in circulation in a combat area could cause disciplinary problems such as gambling, theft, and black market activities. If the combat area is in a less developed country, a large influx of U.S. dollars could lead to economic chaos.

Finally, there is the problem of transporting cash to pay service members in combat areas. A payroll for an army overseas can weigh over 100,000 pounds, and the delivery of such a payroll involves aircraft, other vehicles, personnel, and supplies which could be used to transport material vital to military operations.

This section would have the dual benefit of protecting a service member's pay while he is in the combat area and relieving the Armed Forces of a costly and difficult responsibility so that they can concentrate on the successful completion of military operations overseas.

Sec. 603. Separation Pay Upon Involuntary Discharge or Release from Active Duty

Section 603 amends section 1174 of title 10 by making a technical change to permit equal application of benefits to all service members. In subsection 1174(a)(1) the eligibility point for separation pay for regular officers would be changed from five to six years.

Sec. 604. Permanent Authority for Certain Bonuses and Special Pay for Nurse Officer Candidates, Registered Nurses and Nurse Anesthetists

Section 604 provides the Department with permanent authority to pay a nurse accession bonus, to pay Incentive Special Pay to Military Certified Registered Nurse Anesthetists (CRNAs), and to pay a nurse officer candidate accession bonus. Since the original legislation became effective in FY 1990, each of these valuable programs has been successful in increasing the number of professional nurses on active duty in the military services. Recruitment and retention of CRNAs continue to be areas of major concern for the military departments as civilian earning potential far exceeds military compensation for CRNAs. The military departments continue to have difficulty recruiting nurses due to the shortage of nurses nationwide as well as increased pay disparity between the private sector and the military. The accession bonus program and the nurse officer candidate accession bonus program have proven beneficial in attracting nurses into the military.

The costs associated with section 305, during FY 94–FY 98 are for the nurse accession bonus, $8.0 million annually; for incentive special pay for CRNAs, $4.0 million annually; and for the nurse candidate accession bonus, $1.0 million annually in FY 94 and FY 95, and $4.0 million annually in FY 96–98.

Sec. 605. Modification of Certain Selected Reserve Bonuses

Section 605 modifies the criteria for receipt of certain bonuses and provides the Secretary concerned with the authority to extend the period over which certain bonuses may be paid, rather than in lump sum payments.

Sec. 606. Expiring Authorities

Section 606(a) amends section 301b(a) of title 37, United States Code, to extend the authority to pay a retention bonus to aviation career officers extending their period of active duty for at least one year. This authority currently expires on September 30, 1993.

Section 606(b) amends section 308d(c) of title 37, United States Code, to extend the authority which permits the payment of additional compensation to enlisted members of the Selected Reserve assigned to high priority units, so designated by the Secretary concerned because that unit has experienced, or reasonably might be expected to experience, critical personnel shortages. This authority currently expires on September 30, 1993.

Section 606(c) amends sections 3360(b), 3360(c), 3853, and 8583 of title 10, United States Code, to extend the authority not to use the constructive service credited an officer upon original appointment as a Reserve officer in determining the officer's years of service for the purpose of establishing the officer's mandatory separation date. This authority currently expires on September 30, 1993.

Section 606(d) amends sections 3359(b) and 8359(b) of title 10, United States Code, to extend the authority which permits the original appointment of physicians with at least four years constructive service credit as medical officers for service as Reserve officers of the Army and Air Force in the grade of captain. This authority currently expires on September 30, 1993.

Section 606(e) amends section 3380(d) and 8380(d) of title 10, United States Code, to extend the authority which permits the promotion of an Army or Air Force Reserve officer, not on their active duty list, to a higher Reserve grade while on active duty. This authority currently expires on September 30, 1993.

Section 606(f) repeals section 5721(f) of title 10, United States Code, to make permanent the authority to promote temporarily Navy lieutenants who have skills in which the Navy has a critical shortage of personnel, as determined by the Secretary of the Navy, and who are serving in positions which are designated by the Secretary of the Navy to be held by lieutenant commanders and which require that officers serving in such positions have the skill possessed by a lieutenant commander.

Section 606(g) amends section 2172(d) of title 10, United States Code, to extend the authority which permits the repayment by the Secretary concerned of educational loans

of health professionals who serve in the Selected Reserve and who possess professional qualifications in a health profession that the Secretary of Defense has determined to be needed critically in order to meet identified wartime combat medical skill shortages. This authority currently expires on October 1, 1993. Termination of Reserve health professional incentive programs would limit the ability of the Reserve components to fill shortages in the designated health professions.

Section 606(h) amends section 308(g) of title 37, United States Code, to extend the authority to pay reenlistment bonus to active duty service members who reenlist or who extend their enlistment in a regular component of the service concerned for at least three years. This authority currently expires on September 30, 1993.

Section 606(i) amends section 308a(c) of title 37, United States Code, to extend the authority to pay enlistment bonus to a person who enlists in an armed force for at least four years in a skill designated as critical, or who extends his initial period of active duty in that armed force to a total of at least four years in a skill designated as critical. This authority currently expires on September 30, 1993.

Section 606(j) amends sections 308b(f), 308c(e), 308e(e), 308h(g) and 308i(i) of title 37, United States Code, to extend the authority to pay bonuses for (1) enlistment, reenlistment or affiliation with the Selected Reserve, (2) enlistment, reenlistment or extension of an enlistment in the Ready Reserve other than the Selected Reserve, and (3) enlistment in the Selected Reserve of individuals with prior service. These authorities currently expire on September 30, 1993. Termination of these Reserve bonus programs would adversely impact the readiness of Reserve component units by limiting the ability to recruit individuals possessing critical skills or qualified to train for critical skills and to ensure necessary manning levels in specific critical units.

Section 606(k) amends section 613(d) of the National Defense Authorization Act for Fiscal Year 1989 (37 U.S.C. 302 note) to extend the authority which permits payment of special pay to a health care professional who is qualified in a specialty designated by regulation as a critically short wartime specialty and who agrees to serve in the Selected Reserve for at least one year. This authority currently expires on September 30, 1993. Extension of this authority will allow the Department of Defense to conclude a test program of a reserve medical bonus.

Section 606(l) amends sections 106(b) & (c) of Public Law 86–797 (16 U.S.C. 670f(b) and (c)) to extend the authority to appropriate funds to carry out conservation activities on military installations. This authority expires on September 30, 1993.

Section 606(m) amends section 1370(a) (2) of title 10, United States Code, to extend the authority to permit commissioned officers in a grade above major or lieutenant commander and below lieutenant general or vice admiral to retire in the highest grade in which they served on active duty satisfactorily for not less than two years, rather than three years. This authority currently expires September 30, 1995. Extension of this authority will assist the uniformed services in their downsizing efforts.

Section 606(n) amends section 6323(a) (2) of title 10, United States Code, to extend the authority to permit commissioner officers of the Navy or the Marine Corps to retire after completing more than 20 years of active service, of which at least eight years, rather than ten years, was service as a commissioned officer. This authority currently expires September 30, 1995. Extension of this authority will assist the Navy and the Marine Corps in their downsizing efforts.

Section 606(o) amends section 619(e)(1) of title 10, United States Code, to extend the authority to appoint a qualified nuclear propulsion officer to the grade of rear admiral (lower half) without his having completed a full tour of duty in a joint duty assignment. This authority currently expires on January 1, 1994. Although an increasing number of nuclear propulsion officers are obtaining joint credit, the waiver of the joint duty required continues to be needed.

Section 606(p) amends section 638a of title 10, United States Code, to extend the authority to permit the Secretary concerned, when authorized by the Secretary of Defense, to take any of the actions set forth in subsection (b) of that section with respect to officers under his jurisdiction. These actions relate to the modification of rules for continuation on active duty and to the enhancement of authority for selective early retirement and early discharges. This authority currently expires September 30, 1995. Extension of this authority will assist the uniformed services in their downsizing efforts.

Section 606(q) amends sections 633, 634 and 6383(i) of title 10, United States Code, to extend the authority to exempt limited duty officers to whom section 6383 applies from mandatory retirement after completion of a specified number of years if not recommended for promotion. This authority currently expires October 1, 1995. This exemption corrects serious inequities within the limited duty officer community and provides long-term promotion opportunity consistent with DOPMA guidelines and reasonable upward mobility for the limited duty officer community.

Section 606(r) amends section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1338; 10 U.S.C. 2208 note) to extend the authority of the Secretary of Defense to manage the performance of the working-capital funds and industrial, commercial, and support type activities described in section 316(b) through the use of a single Defense Business Operations Fund. This authority currently expires on April 15, 1994. It was extended from its original expiration date of April 15, 1993 to its current expiration date of April 15, 1994 by section 341(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2374).

Subtitle B—Retired Pay and Survivor Benefits

Sec. 611. Disability Coverage for Officer Candidates Granted Excess Leave

Section 612 amends section 1201 of title 10 by including certain members not entitled to basic pay among those who receive physical disability coverage. Section 612 entitles Service Members on active duty for 30 days or more to disability benefits under those sections of law only if disabled while entitled to basic pay. Except as provided in section 502(a) of title 37, an individual who is granted excess leave by the Secretary of the military department concerned under section 502(b) of that title is not entitled to basic pay as long as the member is in that status. If such an individual were to incur any disability while on excess leave, he or she would not be entitled to any of the benefits provided under the provisions of sections 1201, 1202, and 1203 of title 10. Currently, members of the Marine Corps in the law school excess leave program are the only ones affected by this provision.

Sec. 612. Termination of Servicemen's Group Life Insurance When Premiums Are Not Paid

Section 612 amends section 1969 (a)(2) of title 38, United States Code, by allowing the termination of SGLI policies for members who fail to make timely payment of premiums when they are not in a paid status. Currently, there is no means by which to stop coverage on such members who pay no premiums.

Subtitle C—Other Matters

Sec. 621. Authorization of Payment or Collection Due to Fluctuations of Foreign Currency Incurred by Certain Military Members

Section 621 amends section 405(d) of title 37 by authorizing the Service Secretaries having jurisdiction over the uniformed services to pay or collect funds due to fluctuation of U.S. and foreign currencies incurred by service members while occupying private housing outside the United States. This amendment would apply primarily to refundable housing deposits and rental advances. The amendment made by this section would take effect on October 1, 1993.

Sec. 622. Revisions to Security Deposit Waiver Program

Section 622 amends section 1055(c), United States Code, by deleting section 1055(c)(2). Section 1055(c)(2) currently provides that the Secretary provide a member of the Armed Forces with notice and opportunity for hearing and record inspection before the military issues a special order authorizing the withholding of pay when such member breaches a lease or damages a rental unit.

Sec. 623. Extension of Desert Shield Postponement of Certain Tax-Related Acts to Other Contingency Operations

Section 623 amends section 7508 of title 86, United States Code, by extending Desert Shield postponement of tax obligations and other certain acts to personnel overseas supporting a contingency operation. Contingency Operations are designated by the Secretary as an operation in which members of the Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or a military operation that results in the call-up of Reserves (including retirees) or in the involuntary retention of members on active duty in connection with a war or national emergency.

Sec. 624. Inclusion of Victims of Terrorism in Certain Title 37 Benefits

Section 624 provides title 37 benefits to victims of terrorism and members of the uniformed services held as captives. (37 U.S.C. 559).

Sec. 625. Permanent Authority for Former Prisoners of War to Claim Payments because of Violation of the Geneva Conventions

Section 625 amends Section 6 of the War Claims Act of 1948 (50 App. U.S.C. 2005) as amended by Public Law 91–289, June 24, 1970 (84 Stat. 323), by making permanent the authority for former prisoners of war (POW's) to claim payment because of violations of the Geneva Conventions of August 12, 1949, by their captors, and severs the connection between payments to victims of terrorism and POW's. In addition, section 625 provides that the enforcement of the provision shall be limited to the amount of claims of the United States, and attorney fees shall be limited to no more than 20% of any award.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Management

Sec. 701. Extension and Revision of Specialized Treatment Services Program

Section 701 extends and revises authority provided by sections 711 and 715 of the National Defense Authorization Act for Fiscal Years 1992 and 1993, Public Law 102–190, concerning the Specialized Treatment Facility (STF) program. The Act authorized a two-year test of the STF program by enlarging the normal 40-mile catchment area to refer patients to military STFs. It also authorized referrals to designated civilian network providers when military care is unavailable. Section 701 extends the two-year STF program authority through fiscal year 1995 in order to give it sufficient time to operate. Section 701 also permits the designation of civilian STFs, with service areas of comparable size as military STFs, even if not in a catchment area of a military treatment facility. Finally, section 701 authorizes payment of transportation and related expenses for the patient and an attendant to travel to an STF when cost-effective.

The implementation of section 701 would cause no increase to the budgetary requirements of the Department.

Sec. 702. Revision and Codification of CHAMPUS Physician Payment Reform Program

Section 702 codifies section 9011 of the Department of Defense Appropriations Act, 1993, Public Law 102–396, which authorizes significant reform of the CHAMPUS physician payment methods, including reduced payment for overpriced procedures. Section 702 further reforms physician payments through a transition to payment limits similar to the Medicare fee schedule, which is established using a Resource-Based Relative Value Scale, or RB–RVS. Exceptions to the fee schedule limits would be made to maintain higher payments when needed to assure adequate access to care for CHAMPUS beneficiaries. To ensure a smooth transition to the new payment limits, reductions in payments for specific procedures would be restricted to no more than 15 percent per year. Further, in order to protect beneficiaries, limitations on balance billing for CHAMPUS would be established similar to those in effect for Medicare, which limits balance billing to 15 percent above the allowable amount.

The implementation of section 702 is expected to produce savings to the Department of $75 million annually.

Sec. 703. Codification of CHAMPUS Peer Review Organization Program Procedures

Section 703 codifies section 9056 of the Department of Defense Appropriations Act for Fiscal Year 1993, a provision which has been enacted in consecutive appropriations laws since the FY 1990 Act. This section reinforces the effectiveness of the CHAMPUS Peer Review Program, which is designed to assure quality and appropriate utilization under CHAMPUS. Section 703 would authorize the Department to adapt, by regulation, the quality and utilization review requirements and procedures in effect for the Medicare program. This provides a basis for procedures essential to the effective operation of the Peer Review Program, including no additional liability for patients in cases of peer review payment disallowance, confidentiality of records, civil immunity of peer reviewers, and sanctions for noncomplying providers that are in effect for Medicare.

The implementation of this section would cause no increase to the budgetary requirements of the Department.

Sec. 704. Award of Constructive Service Credit for Advanced Health Professional Degrees

Section 704 amends sections 533, 3353, 5600, and 8353, of title 10, United States Code, to authorize the award of year for year constructive service credit for advanced professional education. Currently, these selections require consideration of years of baccalaureate-level training completed by a person being appointed as an officer, rather than simply the advanced degree education. When individuals are able to gain entry into medical or dental school without having to complete a year or more of preprofessional training above that required by a majority of professional schools, they are granted less than year for year constructive service credit for their professional degree. This formula is extremely complex and difficult to administer.

The Department's original regulation implementing the statutory rules for constructive service credit simplified the portion dealing with constructive service credit for the basic medical and dental degrees, permitting year for year credit for these advanced degrees without regard to length of baccalaureate training. It was then uncommon for individuals to be selected for entry into medical or dental school without having completed four years of preprofessional training. In recent years, however, a growing number of individuals are successfully competing for entry into dental schools without having to complete four years of preprofessional training. These individuals, upon appointment, are not eligible for as many years of constructive service credit as fellow professional school graduates who completed an extra year or more of preprofessional training. The problem is exacerbated by the fact that this one less year of constructive service credit results in the requirement to bring the individual on active duty at one lower grade. Section 704 would enhance the Department of Defense competitiveness in recruiting high quality health care providers.

This implementation of section 704 would not increase the budget requirements of the Department.

Sec. 705. Codification of Revised Governance Structure of the Uniformed Services University of the Health Sciences

Section 705 makes a series of changes to section 2113 of title 10, United States Code, by codifying the governing structure established by section 8091 of the Department of Defense Appropriations Act, 1991, Public Law No. 101–511 for the Uniformed Services University of the Health Sciences. That law revised the role of the Board of Reports to be an advisory committee and placed operational responsibility under the direct authority of the Secretary of Defense. Section 705 makes similar changes to section 2113 of title 10 and adopts several other minor revisions. Among these is authority for members of the Board of Regents to be outstanding in fields other than health and health education, an updating of the per diem compensation for members of the Board from $100 to $300, and clarification regarding the authority of USUHS to enter into cooperative agreements with the Henry M. Jackson Foundation for the Advancement of Military Medicine.

The implementation of section 705 would not increase the budget requirements of the Department.

Sec. 706. Clarification of Authority for Graduate Student Program of the Uniformed Services University of the Health Sciences

Section 706 clarifies the authority of USUHS regarding the operation of graduate programs in health sciences. Consistent with the common practice in medical schools throughout the United States, graduate students, in exchange for a waiver of tuition and a modest stipend, perform many vital services as teaching assistants and research assistants, while pursuing their masters degree or Ph.D. degree studies. Thus, the "pay back" for the tuition-free education is served concurrently with the education. Consistent with this practice, this section clarifies that the commissioned status and service obligation requirements of the law apply only to medical students (those in the M.D. degree program) of USUHS, not to graduate students. Requirements for graduate students will be established by the Secretary of Defense.

The implementation of section 706 would not increase the budget requirements of the Department.

Sec. 707. Modification of Date for Delivery of Health Care Services Under CHAMPUS Reform Initiative Contract

Section 707 amends section 713(b) of the National Defense Authorization Act for Fiscal Year 1993, which set a date of August 1, 1993, for the delivery of services to begin under the CHAMPUS Reform Initiative contract in California and Hawaii. This contract, which will be a successor to the original CHAMPUS Reform Initiative demonstration project, begun in 1998, is now in the acquisition process. There is a legal and program requirement for at least a six-month start-up period between contract award and the initiation of service delivery, meaning that a contract would have to be awarded by February 1, 1993, to meet the August 1 start date. Because of the complexity of the acquisition process, it is now apparent that additional time will be needed to complete it. Therefore, this section revises the statutory date to be August 1, 1993, "or as soon thereafter as is practicable." The Department remains committed to completing the acquisition at the earliest feasible date, consistent with compliance with all applicable procurement regulations.

This section would have no budget impact.

Sec. 708. Authority for the Armed Forces Institute of Pathology to Obtain Additional Distinguished Pathologists and Scientists

Section 708 amends section 176(c) of title 10, United States Code, by authorizing the Director of the Armed Forces Institute of Pathology (AFIP) to enter into agreements with the American Registry of Pathology for the services of distinguished pathologists or scientists to help enhance the activities of AFIP in education, consultation, and medical research. The Armed Forces Institute of Pathology, located at Walter Reed Army Medical Center, is composed of 24 departments and staffed by over 700 United States Army, Navy, Air Force and Public Health Service personnel and serves the Federal and civilian sectors under section 177 of title 10, the Director of AFIP is authorized, with the approval of the Board of Governors, to enter into agreement for the services of distinguished pathologists or scientists of demonstrated ability and experience for the purpose of enhancing the activities of the Institute in education, consultation and research. Prolific expansion in the medical sciences, increased mission responsibilities, and the rapid growth In technology has surpassed

the practicality of limiting the number of distinguished pathologists and scientists positions to six.

The implementation of this section would result in no increased budgetary requirements for the Department.

Subtitle B—Medicare Related Provisions

Sec. 711. Exclusion of Experienced Military Physicians from Medicare Definition of New Physician

Section 711 amends title 18 of the Social Security Act by exempting physicians and health care practitioners who have served more than four years in any branch of the uniformed services from treatment as a "new physician or practitioner" under Medicare payment, upon leaving the service. Under the Medicare fee schedule, physicians and other practitioners who are considered "new" are paid at reduced payment levels. Because the identification of "new" practitioners considers only the number of years a practitioner has billed Medicare, well-experienced and highly qualified uniformed services providers, upon leaving the service are treated as if they were in their first years of medical practice. This provision amends the law to recognize the professional experience of uniformed services physicians and other practitioners.

Sec. 712. Repeal of the Statutory Restriction on Use of Funds for Abortions

Section 712 repeals section 1093 of title 10, United States Code, which prohibits using funds available to the Department of Defense to perform abortions except where the life of the mother would be endangered if the fetus were carried to term. The provision being repealed is referred to sometimes as the "Hyde Amendment."

TITLE VIII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Office of the Secretary of Defense

Sec. 801. Authorization for Certain Organizational Changes in the Office of the Secretary of Defense

Section 801(a) creates the position of the Under Secretary of Defense for Personnel and Readiness, raises the position of Comptroller in the Department of Defense to Executive Schedule III with the precedence of an Under Secretary (such precedence coming after the Under Secretary of Defense for Policy), changes the title of the Under Secretary of Defense for Acquisition to Under Secretary of Defense for Acquisition and Technology and changes the number of Assistant Secretaries of Defense from eleven to nine. Sections 801(b) and (c) make conforming amendments.

Subtitle B—Professional Military Education

Sec. 811. Authorization for the Award of the Master of Science of National Security Strategy Degree and the Master of Science of National Resource Strategy Degree

Section 811 amends chapter 108 of title 10, United States Code, by adding the new section 2163, "National Defense University: Master of Science of National Security Strategy and Master of Science of National Resource Strategy. This would authorize the President of the National Defense University to confer a master of national security strategy and master of national resource strategy degree upon graduates of the National War College and Industrial College of Armed Forces, respectively.

Subtitle C—Other Matters

Sec. 821. Authority for Civilian Army Employees to Act on Reports of Survey

Section 821 amends section 4835 of title 10 to include civilian employees in the category of persons whom the Secretary of the Army may designate to act on and to approve reports of survey and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of or damage to property of the United States under the control of the Army. Currently, only Army officers may approve reports of survey.

Sec. 822. Escorts and Flags for Civilian Employees who Die while Serving in a Conflict with the Armed Forces

Section 822 authorizes the Secretary of Defense, the Secretaries of the military departments, and the Secretary of Transportation to pay for the transportation expenses and travel allowances for an escort to accompany the remains of a civilian employee who dies while serving with the Armed Forces in a wartime conflict or contingency operation. Also, the amendment authorizes the presentment of an interment flag to the next of kin of the deceased employee.

Section 1481 and 1482 of title 10, United States Code, provide for the recovery, care, and disposition of the remains of members of the Armed Forces, including the authority to pay travel and transportation expenses for a person to escort the remains of a member to the place of burial. Section 5742 of title 5, United States Code, provides for the transportation of the remains of a civilian employee of the Government who dies abroad; however, there is no authority to pay for the expenses of an escort for the remains.

Section 1482 of title 10, United States Code, also authorizes the presentation of a flag of the United States to the next of kin of a deceased member of the Armed Forces. There is no similar authority for a civilian employee who dies while serving with the Armed Forces. This section authorizes the presentment of a flag to the next of kin of a civilian employee who dies while serving with the Armed Forces in a wartime conflict or contingency operation, as that term is defined in section 101(a)(13) of title 10, United States Code.

Because of the nature of modern warfare, civilian employees of the Government play a vital role in supporting the Armed Forces, including support provided with deployed forces. These civilian employees often face severe risks, similar to those faced by members of the Armed Forces they support. Should they make the ultimate sacrifice for their country, their remains should be returned in the same manner as members of the Armed Forces.

Sec. 823. Providing Flexibility in the Office of the Inspectors General of the United States Army and Air Force

This section amends the last sentences of sections 3020(e) and 8020(e) of title 10, United States Code, to permit the Secretaries of the Army and the Air Force to appoint permanent or temporary career civilian employees as deputies and assistants to the Inspectors General of the Army and the Air Force. The current statute only allows for the appointment of military officers to these positions. The statute providing for the Navy Inspector General (10 U.S.C. 5020) does not contain a similar restriction.

The Offices of the Secretary of the Army and the Secretary of the Air Force have sole responsibility for the Inspector General functions. The Inspectors General inquire into or report on discipline, efficiency, and economy of their respective branches. In addition, the Inspectors General perform other duties prescribed. The Inspectors General do not exercise command authority under the Uniform Code of Military Justice. Consequently, the duties assigned to assistants of deputies to the Inspectors General may be performed by either a military officer or a career civilian employee.

This section gives the Secretaries of the Army and the Air Force the same authority given the Secretary of the Navy to appoint military and civilian officials to senior management positions in the Offices of the Inspector General. Moreover, it provides career opportunities to civilians appointed in the competitive service and in the Senior Executive Service.

TITLE IX—GENERAL PROVISIONS

Sec. 901. Awarding of Gold Star Lapel Buttons to Survivors of United States Servicemembers Killed by Terrorist Acts

The purpose of section 901 is to authorize eligibility for and distribution of Gold Star Lapel Buttons to survivors of United States servicemembers killed by terrorist acts/attacks. Section 1126 of title 10, United States Code, does not provide authority for recognition of deaths of servicemembers caused by terrorist acts as hostile acts for which a gold star lapel button should be awarded. With terrorist acts against United States servicemembers always present, this section corrects an oversight in the original legislation.

Sec. 902. Aviation Leadership Program

Section 902 amends title 10, United States Code, by adding Chapter 905, entitled "Aviation Leadership Program." Chapter 905 would authorize the Secretary of the Air Force to establish an Aviation Leadership Program. This program would provide undergraduate pilot training and related training to personnel of the air forces of friendly foreign, less-developed nations. Section 902 would authorize the Secretary to provide transportation, supplies, equipment, and special clothing for the use of such personnel, and may pay them a living allowance. Section 902 would become effective on October 1, 1993.

TITLE X—MATTERS RELATING TO ALLIES AND OTHER NATIONS

Sec. 1001. Exchange of Personnel Between United States Armed Forces and Foreign Defense Departments or Ministries

Section 1001 provides for the exchange of military and civilian personnel between the United States Armed Forces and the defense departments or ministries of allied and friendly nations. Specifically, section 1001 provides the United States Armed Forces with the needed policy guidance for the implementation of a more detailed DoD Directive on the program. Section 1001 provides a specific statutory framework for the establishment and conduct of these programs, and would clarify the framework so the Secretary of Defense may enter into these agreements. Section 1001 clarifies the statutory framework for the establishment and conduct of exchange programs with allied and friendly governments.

Sec. 1002. Transfer of Certain Defense Articles in the War Reserve Allies Stockpile to the Republic of Korea

Section 1002 authorizes the Secretary of Defense to transfer certain stockpiled weapons, tanks, and equipment located in the Republic of Korea to the government of the Republic of Korea in exchange for concessions at least equal to the fair market value of those weapons, tanks, and equipment. Section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), prohibits the transfer of war reserves stockpiled in a foreign country for future use by that country unless specifically authorized by legislation.

Sec. 1003. Report Requirement Repealed

Section 1003 repeals section 1002(d)(2)(A) of the Department of Defense Authorization Act, 1985. Section 1002(d)(2)(A) necessitated that the Department of Defense make a detailed written report to Congress by April 1 of each year of the status and cost of the United States forces for NATO as reflected in the Defense Planning Questionnaire Response, and in the defense budget request.

Sec. 1004. Burdensharing Contributions by Japan, Kuwait, and the Republic of Korea

Section 1004 clarifies and makes permanent the authority of the Secretary of Defense to apply cash contributions from foreign governments not only to activities funded solely with DOD appropriations, but to those defense-related activities in the host countries which are funded, in whole or in part, by other than DOD appropriations. It is noted that temporary authority has been authorized in the past few years for annual periods through the various departmental appropriations bills. The permanent authority of the current legislation would not preempt the Congress from reinserting a nullifying provision in subsequent foreign assistance appropriations or other bills such as section 566 of Public Law 102-391.

Under current law, cash contributions may only be credited to DOD appropriations. This limitation fails to take into account those activities whose operating expenses are partially funded by other means, such as security assistance offices in Korea or Japan which are funded with foreign military sales trust funds. The proposed change is needed to clearly permit application of cash contributions to offset the expenses of operating these defense-related activities in these countries.●

By Mr. NUNN (for himself and Mr. THURMOND) (by request):

S. 1254. A bill to authorize certain construction at military installations for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 1994

● Mr. NUNN. Mr. President, by request, for myself and the senior Senator from South Carolina [Mr. THURMOND], I introduce, for appropriate reference, a bill to authorize certain construction at military installations for fiscal year 1994, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

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

S. 1254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this title may be cited as the "Military Construction Authorization Act for Fiscal Year 1994".

PART A—FISCAL YEAR 1994

Title XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

ARMY: INSIDE THE UNITED STATES

State	Installation or Location	Amount
Alabama	Fort Rucker	$26,950,000
Arizona	Fort Huachuca	8,850,000
California	Fort Irwin	5,900,000
Colorado	Fort Carson	4,050,000
Georgia	Fort Benning	37,650,000
Georgia	Fort Stewart	18,800,000
Hawaii	Schofield Barracks	18,600,000
Kentucky	Fort Campbell	40,300,000
	Fort Knox	41,350,000
Maryland	Aberdeen Proving Ground	20,250,000
Missouri	Fort Leonard Wood	1,000,000
Nevada	Hawthorne Army Ammunition Plant.	7,000,000
New Jersey	Fort Monmouth	7,500,000
New Mexico	White Sands Missile Range	2,900,000
New York	US Military Academy, West Point.	13,800,000
North Carolina	Fort Bragg	102,240,000
Oklahoma	Fort Sill	15,700,000
Pennsylvania	Tobyhanna Army Depot	750,000
South Carolina	Fort Jackson	2,700,000
Texas	Fort Bliss	14,000,000
	Fort Hood	49,400,000
	Fort Sam Houston	4,351,000
Utah	Dugway Proving Ground	16,500,000
	Tooele Army Depot	1,500,000
Virginia	Fort Belvoir	860,000
	Fort Lee	32,600,000
	Fort Myer	6,800,000
Washington	Fort Lewis	14,200,000
U.S. various	Classified Locations	3,000,000
Total Army Inside		519,501,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

ARMY: OUTSIDE THE UNITED STATES

Country	Installation or Location	Amount
Kwajalein Atoll	Kwajalein	$21,200,000
OCONUS Classified	Classified Locations	3,600,000
Total Army Outside		24,800,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

ARMY: FAMILY HOUSING

State	Installation	Purpose	Amount
California	Fort Irwin	220 units	$25,000,000
Hawaii	Schofield Barracks	348 units	52,000,000
Maryland	Fort Meade	275 units	26,000,000
New York	U.S. Military Academy	100 units	15,000,000
North Carolina	Fort Bragg	224 units	18,000,000
Wisconsin	Fort McCoy	16 units	2,950,000
Total Army FamHsg.			138,950,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $11,805,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to Section 2815 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $67,530,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1993, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,271,928,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $519,501,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $24,800,000.

(3) For the construction of the Ammunition Demilitarization Facility, Anniston Army Depot, Alabama, authorized in section 2101(a) of the Military Construction Authorization Act, 1991 (division B of Public Law 101-510; 104 Stat. 1485), section 2101(a) of the Military Construction Authorization Act, 1992 (division B of Public Law 102-484; 106 Stat. 2315), $110,900,000.

(4) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $12,000,000.

(5) For architectural and engineering services and construction design authorized under section 2807 of title 10, United States Code, $109,441,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $218,285,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $1,125,601,000, of which not more than $268,139,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $151,400,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

NAVY: INSIDE THE UNITED STATES

State	Installation or Location	Amount
California	Alameda Naval Air Station	$4,700,000
	Barstow Marine Corps Logistics Base.	8,690,000
	Camp Pendleton Marine Corp Air Station.	3,850,000
	Camp Pendleton Marine Corp Base.	11,130,000

NAVY: INSIDE THE UNITED STATES—Continued

State	Installation or Location	Amount
	El Toro Marine Corp Air Station.	1,950,000
	Fallbrook Naval Weapons Station Annex.	4,630,000
	Lemoore Naval Air Station	1,930,000
	San Diego Naval Hospital	2,700,000
	San Diego Fleet Industrial Supply Center.	2,270,000
	San Diego Marine Corps Recruit Depot.	1,130,000
	San Diego Naval Training Center.	700,000
California	Twentynine Palms, Marine Corps Air-Ground Combat Center.	7,900,000
Connecticut	New London Naval Submarine Base.	36,740,000
District of Columbia	Washington COMNAVDIST	3,110,000
District of Columbia	Washington NRL	2,380,000
Florida	Cecil Field Naval Air Station	1,500,000
	Jacksonville Naval Air Station	14,420,000
	Mayport Naval Station	3,260,000
	Pensacola Naval Air Station	6,420,000
Georgia	Albany Marine Corp Logistics Base.	940,000
	Kings Bay Naval Submarine Base.	10,920,000
	Kings Bay Tri-Training Facility.	3,870,000
Hawaii	Barbers Point Naval Air Station.	4,050,000
	Honolulu NCTAMS EPAC	9,120,000
	Pearl Harbor COMOCSYS	16,780,000
	Pearl Harbor NISMF	2,620,000
	Pearl Harbor Naval Submarine Base.	54,140,000
	Pearl Harbor Public Works Center.	27,540,000
Maine	Kittery Portsmouth Naval Shipyard.	4,780,000
Maryland	Bethesda National Naval Medical Center.	3,090,000
New Jersey	Earle Naval Weapons Station	2,580,000
North Carolina	Camp Lejeune Marine Corp Base.	41,290,000
	Camp Lejeune Naval Hospital	2,370,000
	Cherry Point Marine Corp Air Station.	7,500,000
Pennsylvania	Philadelphia ASO	1,900,000
	Philadelphia NISMF	8,660,000
Rhode Island	Newport NETC	11,300,000
South Carolina	Beaufort Marine Corp Air Station.	10,900,000
	Charleston Naval Weapons Station.	580,000
Tennessee	Memphis Naval Air Station	2,050,000
Texas	Corpus Christi Naval Air Station.	1,670,000
Virginia	Chesapeake MCSFBN NW	5,380,000
	Craney Island FISC Annex	11,740,000
	Norfolk COMOPTEVFOR	8,100,000
	Norfolk NADEP	17,800,000
	Norfolk Naval Air Station	12,270,000
	Norfolk Public Works Center	5,330,000
	Portsmouth Norfolk Naval Shipyard.	13,420,000
	Quantico MCCOMBDEV CMD	7,450,000
	Wallops IS NSURFWPN CND	10,170,000
Washington	Bangor Naval Submarine Base.	3,100,000
	Everett Naval Station	34,000,000
	Keyport NUWC Division	8,980,000
Various Locations	Wastewater Collection and Treatment.	3,260,000
	Land Acquisition	540,000
Total Navy Inside		489,600,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

NAVY: OUTSIDE THE UNITED STATES

Country	Installation or Location	Amount
Guam	Naval Hospital	$2,460,000
	MSCO	2,170,000
	Andersen AFB NAF	7,310,000
	Naval Magazine	3,750,000
	Naval Ocean Communication Center.	690,000
	Naval Station	14,520,000
	Fleet/Industrial Supply Center	22,440,000
	Public Works Center	20,680,000
Italy	Naples NSA	11,740,000
	Sigonella Naval Air Station	3,460,000
Spain	Rota Naval Station	2,670,000
Various Locations	Host Nation Infrastructure Support.	2,960,000
	Land Acquisition	800,000
Total Navy Outside		95,650,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

NAVY: FAMILY HOUSING

State	Installation	Purpose	Amount
California	San Diego PWC	318 units	$36,571,000
District of Columbia.	Washington PWC	188 units	21,556,000
Florida	Pensacola PWC	Self Help/Warehouse.	300,000
Georgia	Kings Bay NSB	Housing Office/Self Help/Warehouse.	790,000
Maine	Brunswick NAS	Mobile Home Spaces.	490,000
Virginia	Norfolk PWC/NAB Little Creek.	392 units	50,674,000
	Oceana NAS	Community Center	860,000
Washington	Bangor NAVSUBASE.	290 units	27,438,000
Scotland	Edzell NSGA	40 units	6,000,000
United Kingdom	London NAVACTS	81 units	15,470,000
Total Navy FamHsg.			160,149,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $22,924,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $190,696,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1993, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,863,947,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $489,600,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $95,650,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $5,500,000.

(4) For architectural and engineering services and construction design authorized under section 2807 of title 10, United States Code, $64,373,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $373,769,000; and

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $835,055,000, of which not more than $113,308,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1); the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

AIR FORCE: INSIDE THE UNITED STATES

State	Installation or Location	Amount
Alabama	Gunter Annex	$4,680,000
	Maxwell Air Force Base	16,170,000
Alaska	Cape Romanzof Long Range Radar Site.	3,350,000
	Eielson Air Force Base	7,800,000
	Elmendorf Air Force Base	30,805,000
Arizona	Davis Monthan Air Force Base.	650,000
	Luke Air Force Base	6,750,000
	Navajo Army Depot	7,250,000
Arkansas	Little Rock Air Force Base	4,500,000
California	Edwards Air Force Base	11,300,000
	McClellan Air Force Base	1,900,000
	Travis Air Force Base	14,040,000
	Vandenberg Air Force Base	20,728,000
Colorado	Buckley Air National Guard Base.	39,000,000
	Cheyenne Mountain Air Force Base.	4,450,000
	Peterson Air Force Base	21,030,000
	United States Air Force Academy.	11,680,000
Delaware	Dover Air Force Base	6,560,000
District of Columbia	Bolling Air Force Base	2,000,000
Florida	Cape Canaveral Air Force Station.	19,200,000
	Eglin Air Force Base	12,050,000
	Eglin Auxiliary Field No. 9	7,829,000
	Patrick Air Force Base	3,850,000
	Tyndall Air Force Base	2,600,000
Georgia	Robins Air Force Base	43,370,000
Hawaii	Hickam Air Force Base	10,250,000
	Kaena Point	7,350,000
Illinois	Scott Air Force Base	7,450,000
Kansas	McConnell Air Force Base	1,900,000
Louisiana	Barksdale Air Force Base	2,560,000
Maryland	Andrews Air Force Base	17,990,000
	Fort George G. Meade	1,450,000
Mississippi	Columbus Air Force Base	2,900,000
	Keesler Air Force Base	8,710,000
Missouri	Whiteman Air Force Base	36,388,000
Montana	Malmstrom Air Force Base	7,700,000
Nebraska	Offutt Air Force Base	11,000,000
Nevada	Nellis Air Force Base	1,650,000
New Mexico	Cannon Air Force Base	8,915,000
	Holloman Air Force Base	9,200,000
	Kirtland Air Force Base	27,061,000
North Carolina	Pope Air Force Base	8,600,000
	Seymour Johnson Air Force Base.	5,380,000
North Dakota	Grand Forks Air Force Base	2,600,000
	Minot Air Force Base	2,000,000
Ohio	Wright-Patterson Air Force Base.	27,650,000
Oklahoma	Altus Air Force Base	6,930,000
	Tinker Air Force Base	21,549,000
	Vance Air Force Base	6,000,000
South Carolina	Charleston Air Force Base	1,100,000
	Shaw Air Force Base	5,870,000
South Dakota	Ellsworth Air Force Base	630,000
Tennessee	Arnold Air Force Base	1,500,000
	Memphis Naval Air Station	6,200,000
Texas	Dyess Air Force Base	10,390,000
	Goodfellow Air Force Base	3,700,000
	Kelly Air Force Base	27,481,000
	Lackland Air Force Base Annex.	1,200,000
	Lackland Air Force Base	30,093,000
	Laughlin Air Force Base	8,650,000
	Randolph Air Force Base	5,300,000
	Reese Air Force Base	900,000

AIR FORCE: INSIDE THE UNITED STATES—Continued

State	Installation or Location	Amount
	Sheppard Air Force Base	18,030,000
Utah	Hill Air Force Base	8,380,000
Virginia	Langley Air Force Base	17,823,000
Washington	Fairchild Air Force Base	3,500,000
	McChord Air Force Base	10,900,000
Wyoming	F.E. Warren Air Force Base	12,640,000
Classified	Various Locations	8,140,000
Total Air Force Inside		729,152,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

AIR FORCE: OUTSIDE THE UNITED STATES

Country	Installation or Location	Amount
Antigua Island	Antigua Air Station	1,000,000
Ascension Island	Ascension Auxiliary Airfield	3,400,000
Germany	Ramstein Air Base	3,100,000
Greenland	Thule Air Base	5,492,000
Guam	Andersen Air Force Base	4,100,000
Indian Ocean	Diego Garcia Air Base	2,260,000
Oman	Thumrait Air Base	1,800,000
Turkey	Incirlik Air Base	2,400,000
United Kingdom	RAF Mildenhall	4,800,000
Classified	Classified Location	5,500,000
Total Air Force Outside.		33,852,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

AIR FORCE: FAMILY HOUSING

State/Country	Installation	Purpose	Amount
Alabama	Maxwell Air Force Base.	55 Units	$4,080,000
Arkansas	Little Rock Air Force Base.	Housing Office/ Maintenance Facility.	980,000
California	Vandenberg Air Force Base.	166 Units	21,907,000
Florida	Patrick Air Force Base.	155 Units	15,388,000
	Tyndall Air Force Base.	Infrastructure	5,732,000
Georgia	Robins Air Force Base.	118 Units	7,424,000
Louisiana	Barksdale Air Force Base.	118 Units	8,578,000
Massachusetts	Hanscom Air Force Base.	48 Units	5,135,000
Montana	Malmstrom Air Force Base.	Housing Office	581,000
Texas	Dyess Air Force Base.	Housing Maintenance Facility.	281,000
	Lackland Air Force Base.	111 Units	8,770,000
Virginia	Langley Air Force Base.	Housing Office	452,000
Washington	Fairchild Air Force Base.	1 Unit	184,000
Wyoming	F.E. Warren Air Force Base.	104 Units	10,572,000
Italy	Comiso Air Base	460 Units	20,200,000
Total Air Force FamHsg.			110,264,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,901,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $53,070,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1993, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,924,325,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $729,152,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $33,852,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $6,844,000.

(4) For architectural and engineering services and construction design authorized under section 2807 of title 10, United States Code, $63,180,000.

(5) For advances to the Secretary of Transportation for construction of Defense Access Roads authorized under Section 210 of Title 23, United States Code, $7,150,000.

(6) For the balance of the amount authorized under Section 2301, Public Law 102-484 for the construction of the Climatic Test Chamber, Eglin Air Force Base, Florida, $57,000,000.

(7) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $173,235,000; and

(B) For support of military housing (including functions described in Section 2833 of title 10, United States Code), $853,912,000 of which not more than $118,266,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. STUDENT DORMITORY RELOCATION FROM SIERRA ARMY DEPOT, CALIFORNIA TO BEALE AIR FORCE BASE, CALIFORNIA.

Section 2301(a) of the Military Construction Authorization Act, Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1769) is amended as follows:

(1) by striking out "Sierra Army Depot, $3,650,000." under the heading "California"; and

(2) by striking out "Beale Air Force Base, $6,300,000." under the heading "California" and inserting in lieu thereof "Beale Air Force Base, $9,950,000.".

SEC. 2306. MUNITION MAINTENANCE FACILITY RELOCATION FROM SIERRA ARMY DEPOT, CALIFORNIA TO BEALE AIR FORCE BASE, CALIFORNIA.

Section 2301(a) of the Military Construction Authorization Act, Fiscal Years 1992/1993 (division B of Public Law 102-190; 105 Stat. 1521) is amended as follows:

(1) by striking out "Sierra Army Depot, $2,700,000." under the heading "California"; and

(2) by striking out "Beale Air Force Base, $2,250,000." under the heading "California" and inserting in lieu thereof "Beale Air Force Base, $4,950,000.".

SEC. 2307. COMBAT ARMS TRAINING/MAINTENANCE FACILITY RELOCATION FROM WHEELER AFB, HAWAII TO US ARMY SCHOFIELD BARRACKS OPEN RANGE, HAWAII.

Section 2301(a) of the Military Construction Authorization Act; 1991 (division B of Public Law 101-510; 104 Stat. 1770) is amended—(1) by striking out "Wheeler Air Force Base, $3,500,000." under the heading "Hawaii" and inserting in lieu thereof "Wheeler Air Force Base, $2,100,000."; and (2) by adding "US Army Schofield Barracks Open Range, $1,400,000." under the heading "Hawaii".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

DEFENSE AGENCIES: INSIDE THE UNITED STATES

Agency	Installation or Location	Amount
DLA	Defense Reutilization and Marketing Office, Fairbanks, Alaska.	$6,500,000
	Defense Reutilization and Marketing Office, March Air Force Base, California.	630,000
	Defense Fuel Support Point, Pearl Harbor, Hawaii.	2,250,000
	Defense Construction Supply Center, Columbus, Ohio.	3,100,000
	Defense Electronic Supply Center, Dayton, Ohio.	6,000,000
	Defense Reutilization and Marketing Office, Hill Air Force Base, Utah.	1,700,000
	Defense General Supply Center, Richmond, Virginia.	17,000,000
	Fort Belvoir, Virginia	5,200,000
DMFO	Edwards Air Force Base, California.	1,700,000
	Fort Detrick, Maryland	4,300,000
	Offutt Air Force Base, Nebraska.	1,100,000
	Cannon Air Force Base, New Mexico.	13,600,000
	Grand Forks Air Force Base, North Dakota.	860,000
	Ellsworth Air Force Base, South Dakota.	1,400,000
	Fort Sam Houston, Texas	4,800,000
	Fort Eustis, Texas	3,650,000
	Fairchild Air Force Base, Washington.	8,250,000
NSA	Fort Meade, Maryland	58,630,000
OSD	Various Locations, Special Activities, Air Force.	16,355,000
Section 6 Schools	Fort McClellan, Alabama	2,798,000
	Robins AFB, Georgia	3,160,000
	Fort Campbell, Kentucky	13,182,000
	Fort Knox, Kentucky	7,707,000
	Camp LeJeune, North Carolina.	1,793,000
	Fort Bragg, North Carolina	8,838,000
	Quantico Marine Corps Base, Virginia.	422,000
Special Ops Force	Eglin Aux Field 9, Florida	19,582,000
	Fort Campbell, Kentucky	4,300,000
	Fort Bragg, North Carolina	38,450,000
	Olmstead Field, Pennsylvania	1,300,000
	Little Creek Naval Amphibious Base, Virginia.	7,500,000
Total Def Agency Inside.		266,057,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and

in the amounts, set forth in the following table:

DEFENSE AGENCIES: OUTSIDE THE UNITED STATES

Agency	Installation or Location	Amount
Defense Logistics Agency	Diego Garcia	$9,558,000
	Roosevelt Rds., Puerto Rico	5,800,000
Total Def Agency Outside.		15,358,000

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(12), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1993, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of $4,133,585,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $266,057,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $15,358,000.

(3) For military construction projects at Fort Sam Houston, Texas, Hospital Replacement authorized by section 2401(a) of the Military Construction Authorization Act, 1987, $75,000,000.

(4) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for fiscal years 1990 and 1991, $211,900,000.

(5) For military construction projects at Walter Reed Institute of Research, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act for fiscal year 1993, $48,140,000.

(6) For military construction projects at Elmendorf Air Force Base, Alaska, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for fiscal year 1993, $135,000,000.

(7) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for fiscal year 1993, $195,000,000.

(8) For military construction projects at Millington Naval Air Station, Tennessee, authorized by section 2401(a) of the Military Construction Authorization Act for fiscal year 1993, $5,000,000.

(9) For unspecified minor construction projects under section 2805 of title 10, United States Code, $21,658,000.

(10) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $12,200,000.

(11) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $42,405,000.

(12) For energy conservation projects authorized by section 2402, $50,000,000.

(13) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 10 U.S.C. 2687 note), $27,870,000.

(14) for base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990, (part A of title XXIX of Public Law 101–510; U.S.C. 2687 note), $3,000,500,000.

(15) For military family housing functions (including functions described in section 2833 of title 10, United States Code), $27,496,000, of which not more than $22,882,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1993, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2501, in the amount of $240,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1993, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $50,865,000; and

(B) for the Army Reserve, $82,233,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $20,591,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $142,353,000, and

(B) for the Air Force Reserve, $55,727,000.

TITLE XXVII—EXPIRATION AND EXTENSIONS OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organizations Infrastructure program (and authorizations of appropriation therefor) shall expire on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1997.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 1996; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1997 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSIONS OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510, 104 Stat. 1782), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2201, 2301, or 2401 of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), shall remain in effect until October 1, 1994, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

ARMY: EXTENSION OF 1991 PROJECT AUTHORIZATIONS

State	Installation or Location	Project	Amount
Maryland	Aberdeen Proving Ground.	Toxicology Research Facility.	$33,000,000
Virginia	Fort Myer	Child Development Center.	2,150,000
Total Army Extension.			35,150,000

AIR FORCE: EXTENSION OF 1991 PROJECT AUTHORIZATIONS

State/Country	Installation or Location	Project	Amount
Alaska	Clear Air Force Station.	Alter Dormitory (Phase II).	$5,000,000
California	Sierra Army Depot	Dormitory	3,650,000
Colorado	Buckley Air National Guard Base.	Child Development Center.	4,550,000
	Lowry Air Force Base.	Computer Operations Facility.	15,500,000
		Logistics Support Facility.	3,500,000
	United States Air Force Academy.	Consolidated Education & Trng Fac (Phase I).	15,000,000
Hawaii	Hickam Air Force Base.	Dormitory	6,100,000
	Wheeler Air Force Base.	Combat Arms Trng/Maint Facility.	1,400,000
Oklahoma	Tinker Air Force Base.	AWACS Aircraft Fire Protection.	2,750,000
Utah	Hill Air Force Base.	Depot Warehouse	16,000,000
Total Air Force Extension.			73,450,000

DEFENSE AGENCIES: EXTENSION OF 1991 PROJECT AUTHORIZATIONS

State or Country	Installation or Location	Project	Amount
Maryland	DLA, Defense Reutilization and Marketing Office, Fort Meade	Covered storage	$9,500,000
Total DA Extension.			9,500,000

SEC. 2703. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1993; and

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

SEC. 2801. CONSTRUCTION AUTHORITY IN THE EVENT OF A DECLARATION OF WAR, NATIONAL EMERGENCY, OR CONTINGENCY OPERATION.

Section 2808 of title 10, United States Code, is amended:

(a) by amending the catchline for the section to read:

"CONSTRUCTION AUTHORITY IN THE EVENT OF A DECLARATION OF WAR, NATIONAL EMERGENCY, OR CONTINGENCY OPERATION";

(b) by adding a new subsection (b) as follows:

"In the event of a contingency operation as defined in paragraph (a)(13), section 101 of this title, the Secretary of Defense, without regard to any other provisions of law, may undertake military construction projects not otherwise authorized by law that are necessary to support the use of the armed forces. Contingency operations projects shall be for temporary use, as required, to support the operations. Projects authorized by this subsection may be undertaken only within the total amount of funds that have been appropriated for military construction, including funds appropriated for family housing, that have not been obligated."

(c) by redesignating subsection (b) to (c);

(d) by redesignating subsection (c) to (d);

(e) by striking newly designated subsection (d) and inserting in lieu thereof:

"(d) the authority described in subsection (a) and (b) shall terminate with respect to any war, national emergency, or contingency at the end of the war, national emergency, or contingency."; and

(f) the item in the table of sections at the beginning of the chapter relating to section 2808 is amended to read as follows:

"Section 2808. Construction authority in the event of a declaration of war, national emergency, or contingency operation.".

SEC. 2802. EMERGENCY CONSTRUCTION.

Section 2803 of title 10, United States Code, is amended—

(a) by striking subsection (c)(1); and

(b) by redesignating subsection (C)(2) as subsection (C).

SEC. 2803. BASE CLOSURE ACCOUNT MANAGEMENT FLEXIBILITY.

(a) Section 207(a)(5) of the Defense Authorization and Base Closure and Realignment Act (Public Law 100-526) is amended by adding the following:

"(7) Proceeds received after September 30, 1995, from the transfer or disposal of any property at a military installation closed or realigned under this title will be directly deposited into the Department of Defense Base Closure Account 1990, created by Public Law 101-510.".

(b) Section 2906(a)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 101-510) is amended by adding:

"(D) Proceeds received after September 30, 1995, from the transfer or disposal of any property at a military installation closed or realigned under title II of Public Law 100-526.".

(C) Section 2906(b)(1) of the Defense Authorization amendments and Base Closure and Realignment Act (Public Law 101-510) is amended as follows:

"(1) The Secretary may use the funds in the Account only for the purposes described in section 2905 or, after September 30, 1995, for environmental restoration and property management and disposal at installations closed or realigned under Title II of Public Law 100-526.".

(d) TECHNICAL CORRECTION.—(a) Section 2906(c)(2) and (3) of the Department of Defense Authorization Act, 1991 (Public Law 101-510) is amended by striking "after the termination of the Commission" and inserting lieu of "after the termination of the authority of the Secretary to carry out a closure or realignment under this title.".

SEC. 2804. AUTHORITY TO CONTRACT FOR CERTAIN FUNCTIONS AT INSTALLATIONS BEING CLOSED OR REALIGNED.

(a) BASE CLOSURES UNDER 1988 ACT.—(1) Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 102 Stat. 2630; 10 U.S.C. 2687 note) is amended by adding the following new subparagraph (5) at the end of the subsection (b):

"(5) The Secretary of Defense is authorized to contract with local governments for community services, including police and fire protection, at those military installations to be closed when the Secretary determines that it is in the best interest of the Department to have these services provided local governmental entities."

(2) Section 205 of Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 102 Stat. 2630; 10 U.S.C. 2687 note) is amended—

(A) in subsection (1), by deleting "and";

(B) in subsection (2), by deleting "Code." and inserting in lieu thereof "Code; and"; and

(C) by adding at the end of the section the following new subsection:

"(3) those sections comprising chapter 146 of title 10, United States Code."

(b) BASE CLOSURES UNDER 1991 ACT.—(1) Section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 104 Stat. 1813; 10 U.S.C. 2687 note) is amended—

(A) in subsection (b)(2) by redesignating subparagraph (E) as subparagraph (F); and

(B) by inserting the following new subparagraph (E) following the existing subparagraph (D):

"(E) The Secretary of Defense is authorized to contract with local governments for community services, including police and fire protection, at those military installations to be closed down the Secretary determines that it is in the best interest of the Department to have these services provided by local governmental entities.

(2) Section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 104 Stat. 1813; 10 U.S.C. 2687 note) is further amended—

(A) in subsection (d)(1), by deleting "and";

(B) in subsection (d)(2), by deleting "Code." and inserting in lieu thereof "Code; and"; and

(C) by adding at the end of section (d) the following new subsection;

"(3) those sections comprising chapter 146 of title 10, United States Code."

SEC. 2805. MILITARY FAMILY HOUSING FOREIGN LEASING PROGRAM.

Section 2828(e)(1) of title 10, United States Code, is amended by deleting "October 1, 1987." from the end of the first sentence and inserting in lieu thereof the following:

"October 1, 1987, except that 300 such units may be leased for not more than $25,000 per annum as adjusted for foreign currency fluctuation from October 1, 1987. The dollar limitations contained in this subsection shall be further adjusted annually at the beginning of each fiscal year by an amount which corresponds to the change in the Consumer Price Index for all Urban Consumers, published by the Bureau of Labor Statistics for the Department of Labor, for the previous year ending on September 30.".

SEC. 2806. MILITARY FAMILY HOUSING LEASING PROGRAM.

Section 2828 of title 10, United States Code, is amended by adding after subsection (b)(3) the following new subsection (b)(4):

"(4) the maximum rental amount under paragraphs (2) and (3) shall be adjusted annually at the beginning of each fiscal year by an amount which corresponds to the change in the Consumer Price Index for all Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor, for the previous year ending on September 30.".

SEC. 2807. SALE OF ELECTRICITY FROM ALTERNATE ENERGY AND COGENERATION PRODUCTION FACILITIES.

Section 2483(b), title 10, United States Code, is amended by deleting the period after "energy" and inserting,", and may be used to accomplish energy related Military Construction projects as authorized in Sections 2805(a)(1) and 2865(a)(3).".

SEC. 2808. ENERGY SAVINGS AT MILITARY INSTALLATIONS.

Section 2865, title 10, United States Code, is amended—

(1) in subsection (a)(3) by inserting ", including energy efficient maintenance," after "conservation measures";

(2) by inserting new subsection (a)(3)(A) after subsection (a)(3):

"(a)(3)(A) Energy efficient maintenance includes the repair by replacement of equipment or systems with the best available technology to meet the same and needs e.g., lighting, heating, cooling, industrial process, etc. Energy efficient maintenance also includes operation and maintenance process improvements that result in energy cost savings e.g., training, improved controls, etc."; and

(3) in subsection (b)(2) by inserting "and pursuant to Section 2483(b) of this title," after "under paragraph (1)".

SEC. 2809. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS TO BE CLOSED.

(a) Section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 104 Stat. 1815; 10 U.S.C. 2687 note as amended by Section 2827 of Public Law 102-190; 105 Stat. 1551) is amended by striking subsection (d) in its entirety.

(b) Section 2905(a)(1)(C) of such Act (Public Law 101-510; 104 Stat. 1813; 10 U.S.C. 2687 note as amended by Section 2827 of Public Law 102-190; 105 Stat. 1551) is amended by striking out the words "in the Account;" and inserting in lieu thereof the words, "in the Defense Environmental Restoration Account;"

(c) Section 207 of the Defense Authorization Amendments and Base Closure and Realignment Act (Title II of Public Law 100-525; 102 Stat. 2628; 10 U.S.C. 2687 note as amended by Section 2923 of Public Law 101-510; 104 Stat. 1821) is amended by striking subsection (b) in its entirety and 5204(a)(3) is amended by striking the words "in the Account" and inserting in lieu thereof the words "in the Defense Environmental Restoration Account.".

SEC. 2810. AUTHORIZATION TO ACQUIRE EXISTING FACILITIES IN LIEU OF CARRYING OUT CONSTRUCTION AUTHORIZED BY LAW.

(a) ESTABLISHMENT OF AUTHORITY.—Subchapter I of chapter 169 of title 10, United

States Code, is amended by adding at the end the following new section:

SEC. 2813. ACQUISITION OF EXISTING FACILITIES IN LIEU OF CONSTRUCTION.

"(a) Subject to subsections (b) and (c), where the Secretary concerned determines that an existing facility at or near a military installation would satisfy the requirements of a military construction project authorized by law, the Secretary may acquire that facility, including real property, using the funds appropriated for the authorized project, in lieu of carrying out the authorized construction project.

"(b) The authority in this section may only be exercised if the Secretary concerned makes a determination that the acquisition of an existing facility in lieu of new construction is in the best interests of the Government.

"(c) A contract may not be entered into under this section until the Secretary concerned submits a report of the facts concerning this proposed transaction to the House and Senate Committees on Armed Services.".

(b) APPLICATION OF SECTION.—Section 2813 of title 10, United States Code, as added by subsection (a), shall apply with respect to projects authorized on or after the date of enactment of the Act, and to project authorized prior to the date of enactment for which construction contracts have not been awarded.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following new item:

"2813. Authorization to acquire existing facilities in lieu of carrying out construction authorized by law.".

SEC. 2811. TRANSFER OF FORT BELVOIR, VA, NATURAL GAS DISTRIBUTION SYSTEM TO THE WASHINGTON GAS COMPANY, SPRINGFIELD, VA.

(a) CONVEYANCE.—Subject to subsection (b), the Secretary of the Army may convey to the Washington Gas Company, Virginia, all right, title, and interest of the United States in the following real property natural gas system:

(1) All government owned utility fixtures, structures, and improvements used to provide natural gas service to Fort Belvoir, Virginia without the underlying fee (land).

(2) Transfer includes a natural gas distribution system consisting of approximately 15.6 miles of natural gas distribution lines and other improvement thereon and appurtenances thereto at Fort Belvoir, Virginia.

(3) A utility easement and right of way appurtenant which may be necessary or appropriate to provide for ingress and egress to and from the natural gas system and to satisfy any buffer zone requirements imposed by any federal or state agency.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the Washington Gas Company, shall—

(A) accept the natural gas system to be conveyed under this section in its existing condition;

(B) provide natural gas service to Fort Belvoir, Virginia at a beneficial rate to the Government;

(C) comply with all applicable environmental laws and regulations including any permit or license requirements;

(D) not expand the existing on-post natural gas distribution system unless approved by the Installation Commander or his or her designee;

(E) take over the responsibility for ownership, maintenance, repair, safety inspections, and leak test surveys for the entire Fort Belvoir natural gas distribution system;

(F) upgrade natural gas system at no cost to the Government based on anticipated fuel oil conversions to natural gas.

(c) TERMS.—Conveyance specified in section (a) shall be subject to negotiation by and approval of the Secretary of the Army as determined by him to be in the best interests of the United States.

(d) REVERSION.—If the Secretary of the Army determines at any time that the Washington Gas Company is not complying with the conditions specified in this section, all right, title, and interest in and to the natural gas system conveyed pursuant to subsection (a), including improvements to the natural gas system, shall revert to the United States and the United States shall have the right to access and operation of the natural gas system.

(e) DETERMINATION OF FAIR MARKET VALUE.—The aggregate value of this transfer (value defined as benefits to the Army), shall be certified by the Secretary to be of equal or greater value than the fair market value of the facility.

(f) DESCRIPTION OF PROPERTY.—The exact legal description of the equipment and facilities to be conveyed pursuant to this act shall be determined by survey(s) satisfactory to the Secretary. The cost of such surveys shall be borne by the Washington Gas Company.

(g) ENVIRONMENTAL COMPLIANCE.—The Washington Gas Company, Virginia, shall be responsible for owning, operating and installing natural gas distribution lines. The Secretary of the Army will be responsible for clean-up of any contaminated property prior to transfer pursuant to the Comprehensive Environmental Response, Compensation and Liability Act.

SEC. 2812. TRANSFER OF THE FORT LEE, VA, WATER DISTRIBUTION SYSTEM TO THE AMERICAN WATER COMPANY, VIRGINIA.

(a) CONVEYANCE.—Subject to subsection (b), the Secretary of the Army may convey to the American Water Company, Virginia, all right, title, and interest of the United States in the following real property water system:

(1) All government owned utility fixtures, structures, and improvements used to provide water service and water distribution service to Fort Lee, Virginia, without the underlying fee (land).

(2) Water system includes approximately seven miles of transmission mains, eighty-five miles of distribution and service lines, four hundred and sixteen fire hydrants, three elevated storage tanks, two pumping stations and other improvements thereon and appurtenances thereto at Fort Lee, Virginia.

(3) A utility easement and right of way appurtenant which may be necessary or appropriate to provide for ingress and egress to and from the water system and to satisfy any buffer zone requirements imposed by any federal or state agency.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the American Water Company shall—

(A) accept the water system to be conveyed under this section in its existing condition;

(B) provide water service to Fort Lee, Virginia, at a beneficial rate to the Government;

(C) comply with all applicable environmental laws and regulations including any permit or license requirements;

(D) not expand the existing on-post water distribution system unless approved by the Installation Commander or his or her designee;

(c) TERMS.—Conveyance specified in section (a) shall be subject to negotiation by and approval of the Secretary of the Army as determined by him to be in the best interests of the United States.

(d) REVERSION.—If the Secretary of the Army determines at any time that the American Water Company is not complying with the conditions specified in this section, all right, title, and interest in and to the water system conveyed pursuant to subsection (a), including improvements to the water system, shall revert to the United States and the United States shall have the right of access and operation of the water system.

(e) DETERMINATION OF FAIR MARKET VALUE.—The aggregate value of this transfer (value defined as benefits to the Army), shall be certified by the Secretary to be of equal or greater value than the fair market value of the facility.

(f) DESCRIPTION OF PROPERTY.—The exact legal description of the equipment facilities to be conveyed pursuant to this act shall be determined by survey(s) satisfactory to the Secretary. The cost of such surveys shall be borne by the American Water Company.

(g) ENVIRONMENTAL COMPLIANCE.—The American Water Company will be responsible for compliance with all applicable environmental laws and regulations including any permit or license requirements. The American Water Company will be responsible for executing and constructing environmental betterments to the water system as required by applicable law. The U.S. Army, based on the availability of appropriated funding, will share future environmental compliance costs based on a pro-rata share of the water distribution system as determined by the Secretary under section (c). The Army will be responsible for clean-up of any contaminated property prior to transfer pursuant to the Comprehensive Environmental Response, Compensation and Liability Act.

SEC. 2813. TRANSFER OF THE FORT PICKETT, VA, WASTE WATER TREATMENT FACILITY TO THE TOWN OF BLACKSTONE, VIRGINIA.

(a) CONVEYANCE.—Subject to subsection (b), the Secretary of the Army may convey to the Town of Blackstone, Virginia, all right, title, and interest of the United States in the following real property waste water treatment facility:

(1) A parcel of real property consisting of approximately 11.5 acres, including a waste water treatment facility and other improvements thereon and appurtenances thereto at Fort Pickett, Virginia.

(2) All utility easements and right of way appurtenant which may be necessary or appropriate to provide for ingress and egress to and from the facility and to satisfy any buffer zone requirements imposed by any federal or state agency.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the Town of Blackstone shall—

(A) design and construct an environmental upgrade to the existing plant to meet environmental standards;

(B) provide waste water treatment service to Fort Pickett, Virginia, at a beneficial rate to the Government;

(C) comply with all applicable environmental laws and regulations including any permit or license requirements;

(D) reserve seventy-five percent of the existing Fort Pickett, Virginia, waste water plant capacity for the Army's use at Fort Pickett, Virginia, should a future need arise

due to force realignment or mission requirements;

(E) become responsible for future environmental clean-up of the facility in accordance with the Comprehensive Environmental Response, Compensation and Liability Act resulting from customers other than the United States Army.

(c) TERMS.—Conveyance specified in section (a) shall be subject to negotiation by and approval of the Secretary of the Army as determined by him to be in the best interests of the United States.

(d) REVERSION.—If the Secretary of the Army determines at any time that the town of Blackstone, Virginia, is not complying with the conditions specified in this section, all right, title, and interest in and to the waste water treatment system conveyed pursuant to subsection (a), including improvements to the waste water treatment system, shall revert to the United States and the United States shall have the right of access and operation of the waste water treatment system.

(e) DETERMINATION OF FAIR MARKET VALUE.—The aggregate value of this transfer (value defined as benefits to the Army), shall be certified by the Secretary to be of equal or greater value than the fair market value of the facility.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed pursuant to this act shall be determined by survey(s) satisfactory to the Secretary. The cost of such surveys shall be borne by the Town of Blackstone.

(g) ENVIRONMENTAL COMPLIANCE.—The Town of Blackstone shall be responsible for compliance with all applicable environmental laws and regulations including any permit or license requirements. The Town of Blackstone shall also be responsible for executing and constructing environmental betterments to the plant as required by applicable law. The U.S. Army based on the availability of appropriated funding and the Town of Blackstone will share future environmental compliance costs based on a pro-rata share of reserved plant capacity as determined by the Secretary under Section (c). The Army will be responsible for clean-up of any contaminated property prior to transfer pursuant to the Comprehensive Environmental Response, Compensation and Liability Act.

SEC. 2814. TRANSFER THE STEWART ARMY SUBPOST WATER DISTRIBUTION SYSTEM AND RESERVOIR TO THE TOWN OF NEW WINDSOR, NEW YORK.

(a) CONVEYANCE.—Subject to subsection (b), the Secretary of the Army may convey to the Town of New Windsor, New York all right, title, and interest of the United States in the following real property water system:

(1) All government owned utility fixtures, structures, water reservoir, distribution plant, and improvements currently used to provide water service and water distribution service to Stewart Army Subpost, New York, and the surrounding area, to include the underlying fee (land) of the reservoir and the water treatment plant.

(2) Transfer also includes all water transmission mains, water distribution and service lines, fire hydrants, water pumping stations, and other improvements thereon and appurtenances thereto at Stewart Army Subpost, New York.

(3) A utility easement and right of way appurtenant which may be necessary or appropriate to provide for ingress and egress to and from the water system and to satisfy any buffer zone requirements imposed by any federal or state agency.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the Town of New Windsor shall—

(A) accept the water system to be conveyed under this section in its existing conditions;

(B) provide water service to Stewart Army Subpost, New York, at a beneficial rate to the Government;

(C) comply with all applicable environmental laws and regulations including any permit or license requirements;

(D) not expand the existing on-post water service system unless approved by the Installation Commander or his or her designee.

(c) TERMS.—Conveyance specified in section (a) shall be subject to negotiation by and approval of the Secretary of the Army as determined by him to be in the best interests of the United States.

(d) REVERSION.—If the Secretary of the Army determines at any time that the Town of New Windsor is not complying with the conditions specified in this section, at right, title, and interest in and to the water system conveyed pursuant to subsection (a), including improvements to the water system, shall revert to the United States and the United States shall have the right of access and operation of the water system.

(e) DETERMINATION OF FAIR MARKET VALUE.—The aggregate value of this transfer (value defined as benefits to the Army), shall be certified by the Secretary to be of equal or greater value than the fair market value of the facility.

(f) DESCRIPTION OF PROPERTY.—The exact legal description of the equipment and facilities to be conveyed pursuant to this act shall be determined by survey(s) satisfactory to the Secretary. The cost of such surveys shall be borne by the Town of New Windsor.

(g) ENVIRONMENTAL COMPLIANCE.—The Town of New Windsor will be responsible for compliance with all applicable environmental laws and regulations including any permit or license requirements. The Town of New Windsor will be responsible for executing and constructing environmental betterments to the water system as required by applicable law. The U.S. Army, based on the availability of appropriated funding, will share future environmental compliance costs based on a pro-rata share of the water distribution system as determined by the Secretary under section (c). The Army will be responsible for clean-up of any contaminated property prior to transfer pursuant to the Comprehensive Environmental Response, Compensation and Liability Act.

SEC. 2815. CLARIFICATION OF DEPARTMENT OF STATE HOUSING POOL PARTICIPATION.

Subsection 2834(b) of title 10, United States Code, is modified by deleting "included." and inserting in lieu thereof "excluded.".

SECTIONAL ANALYSIS

SEC. 2801. CONSTRUCTION AUTHORITY IN THE EVENT OF A DECLARATION OF WAR, NATIONAL EMERGENCY, OR CONTINGENCY OPERATION

The proposed changes to section 2808, Construction Authority in the Event of War or National Emergency, gives the Secretary of Defense the authority to provide funds for construction of facilities, on a limited basis, during a contingency operation when facilities are necessary to support the operation and will be for temporary use. Existing legislative authority can be used only after declaration of war or declaration of a national emergency by the President. It does not allow the Department to respond to potential contingency operations. The proposed changes provide the construction flexibility necessary to support immediate operational requirements. Use of unobligated military construction funds would be authorized. This proposal requires the designation of a contingency operation by the Secretary of Defense (as defined in paragraph (a)(13), Section 101, title 10, USC) and notification of appropriate congressional committees, but does not require prior congressional approval.

SEC. 2802. EMERGENCY CONSTRUCTION

The current $30 million limitation on emergency construction (Section 2803, title 10, USC) established in 1982 in the Codification Act, is unrealistic in today's rapidly changing environment. The proposal recommends the elimination of the $30 million cap the service secretary may obligate in any one year. In recent times, the services have not exceeded the annual limit; however, the need to exercise this authority cannot be predicted, especially since this authority was expanded to include projects meeting the conditions of Section 2803 for "the protection of health, safety, or the quality of the environment" by the National Defense Authorization Act for Fiscal Years 1992 and 1993, Public Law 102-190. Since projects initiated under this authority require reprogramming funds from approved military construction projects, the interested Congressional authorization and appropriations committees would continue to exercise their oversight of the authority. Additionally, the limitation of the $30 million cap would provide Section 2803 authority the same flexibility that exists for a similar authority for the restoration or replacement of damaged or destroyed facilities, Section 2854, title 10, USC, which has no limit.

SEC. 2803. BASE CLOSURE ACCOUNT MANAGEMENT FLEXIBILITY

Public Law 100-526 created a Department of Defense Base Closure Account to finance base closures and realignments recommended by the 1988 Base Closure Commission. Public Law 101-510 created a Department of Defense Base Closure Account 1990 to finance base closures and realignments recommended by the 1991, the 1993, and the 1995 Base Closure Commissions. The authority to obligate funds from the Account created by Public Law 100-526 expires on September 30, 1995. Environmental restoration and management and disposal of property requirements will exist beyond this date at some installations recommended for closure or realignment by the 1988 Commission. Also, receipts from the sale of property associated with a number of these 1988 actions will not all be realized before September 30, 1995. Allowing the deposit of land sale revenues received after September 30, 1995, into the Defense Base Closure Account 1990, and permitting the Department to use them to fund the ongoing environmental and property management and disposal requirements that continue to exist after that date would reduce the need for additional appropriations. These actions would still allow for Congressional oversight through review of DoD's detailed budget justification, which will continue to be separated by round of closure (i.e., 1988, 1991, 1993 and 1995 rounds). They would improve the overall efficiency and effectiveness of the base closure implementation process, thereby saving appropriations. These actions would also be consistent with the intent of Congress in creating the Base Closure Accounts. The technical correction would extend the life of Department of Defense Base Closure Account 1990 to coincide with the expiration of the Secretary's authority to carry out a closure or realignment under Public Law 101-510.

SEC. 2804. AUTHORITY TO CONTRACT FOR CERTAIN FUNCTIONS AT INSTALLATIONS BEING CLOSED OR REALIGNED

The Department of Defense is committed to closing bases without undue delay. Quick action can save the Department money while expediting community reuse and economic development. To avoid unnecessary delays, the Department must be able to empower closing base commanders with options to effectively and efficiently manage their decreasing manpower resources during closure implementation. This provision will enable commanders at closing installations to contract for needed functions or arrange with local authorities for services, such as guard services and fire fighting, without the need for cost comparisons. It should be noted that at closing installations, the workforce becomes skeletal, making a bona fide cost comparison difficult, if not impossible.

SEC. 2805. MILITARY FAMILY HOUSING FOREIGN LEASING PROGRAM

A provision for an annual Consumer Price Index (CPI) adjustment and an expansion of current high-cost foreign lease authority is necessary to keep pace with the inflation in housing costs and to meet requirements. The current ceiling of $20,000 per unit per annum as adjusted for foreign currency fluctuation from October 1987, will be adjusted annually based on the CPI with the exception that not more than 300 units may exceed $20,000 per unit per annum, but may not exceed $25,000 per unit per annum. This maximum lease amount of $25,000 may be waived by the Secretary concerned with respect to not more than 220 such units. The per unit per annum threshold was established in 1987 and does not provide for inflation or expanded leasing. Seventy-six percent of DoD high-cost foreign leases are administered by the Department of State and support long-term positions of Defense Attachees, NATO and SHAPE personnel and their staffs. Such positions are not affected by European force reductions and base closures. Keeping pace with the cost of living and meeting security requirements is crucial to the quality of life of military families living in foreign leased units. The new open-market conditions of the Commonwealth of Independent States (CIS) also increases the cost of leases in foreign countries. Unless noted provisions are authorized, many of our leases will be terminated. Lease termination would create personal hardships for families, forcing them to live in unsuitable or unaffordable housing, or would force families to involuntarily separate. And, the U.S. Government could be subject to penalty charges for early termination of leases. Our exception for 300 units at $25,000 per unit per annum will help in such areas as LaMaddalena and Sigonella, Italy, where Navy has 238 such leases with cost increases of about 6% annually. At LaMaddalena, government build-to-lease housing is the only option because there is insufficient adequate housing available in the private community to meet DoD requirements. At Sigonella, government build-to-lease housing is the least cost alternative to that of providing housing allowances for members to make their own arrangements. An annual CPI adjustment will provide for current leases to continue in effect and planned leases will be executable; our serious foreign housing deficit will be reduced; and quality of life for families at overseas locations will be less threatened.

SEC. 2806. MILITARY FAMILY HOUSING LEASING PROGRAM

The proposed change would provide for an annual adjustment to the threshold of high-cost domestic leases based on the Consumer Price Index (CPI). The Domestic Leasing Program, established in 1974 (Public Law 84–161) is a practical alternative for providing housing for lower ranking military families in geographical areas with large shortages of adequate housing. It is an interim means of meeting housing requirements until government housing programs or the community can provide satisfactory housing at a reasonable cost. Current legislation limits the cost per unit per annum to $12,000 including the costs for utilities, maintenance and operation) with the exception that not more than 500 units may exceed $12,000 per unit per annum, but may not exceed $14,000 per unit per annum. The current per unit per year ceiling is unrealistic in today's rental market in high cost areas such as Hawaii, Southern California and Guam. Installations continue to have difficulty staying within the established $14,000 cost ceiling. Our proposal for an annual Consumer Price Index (CPI) adjustment precludes the need to propose new legislation every two or three years simply to keep pace with housing cost inflation. Examples: The cost of two bedroom units in Guam exceeds the current $14,000 lease cap; the 3 bedroom waiting list in the Los Angeles Basin area continues to grow because adequate units cannot be found within the current cap limitations. By annually adjusting the ceiling by the housing expenditure category of the CPI, and with authority to obtain leases in areas where housing is both scarce and expensive. This will make adequate housing available to lower ranking military members and their families.

SEC. 2807. SALE OF ELECTRICITY FROM ALTERNATE ENERGY AND COGENERATION PRODUCTION FACILITIES

The proposed legislation clarifies authority to use proceeds from the sale of electricity from alternate energy and cogeneration production facilities to accomplish energy conservation projects as authorized in Section 2865, title 10, USC. Use of proceeds in this manner would significantly increase the return on investment, in terms of energy and cost savings. Lack of authority would limit investment opportunities. Current language allows proceeds from sales to be credited to the account used to pay for electricity.

SEC. 2808. ENERGY SAVINGS AT MILITARY INSTALLATIONS

Congressional Committee report language has encouraged energy efficient maintenance; however, energy efficient maintenance is not defined, or specifically authorized. Section 2865 is moot on the definition of energy conservation maintenance. Congressional intent for services to implement energy conservation maintenance will be impaired if a definition is not incorporated in the section. Additionally, this section is limited to savings realized from energy conservation measures and does not address savings, or proceeds realized from alternate energy or cogeneration efforts. Routine maintenance will continue to replace equipment "in kind" and life cycle energy costs will not be considered. Likewise, the exclusion of alternate energy and cogeneration proceeds limit the implementation of energy cost saving measures. The proposal provides specific authority to implement congressional direction to save energy through energy efficient maintenance, defines energy efficient maintenance, and broadens the funding base for this and other energy cost saving efforts. Energy efficient maintenance implementation would result in reduced O&M utility costs through energy efficient, life-cycle cost effective equipment replacement.

SEC. 2809. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS TO BE CLOSED

The existing statute makes the BRAC account the exclusive fund source for cleanup at closing bases. This greatly complicates the execution of cleanups at these bases (e.g., requires re-negotiation of cleanup agreements which currently specify DERA as the only fund source; requires duplicative arrangements with the states and the Agency for Toxic Substances and Disease Registry to fund their activities from BRAC, etc.) It also dramatically reduces the flexibility of Service cleanup program managers to react to the dynamic requirements of cleanup projects since the BRAC accounts are much smaller than their DERA allocations.

SEC. 2810. AUTHORIZATION TO ACQUIRE EXISTING FACILITIES IN LIEU OF CARRYING OUT CONSTRUCTION AUTHORIZED BY LAW

This legislation would give military departments the flexibility to operate more efficiently by authorizing them to meet the facilities requirements of a project authorized by law by acquiring existing facilities in lieu of constructing new facilities, using funds appropriated for the authorized project, if that is in the best interests of the Government. Currently, military departments wishing to purchase an available existing facility must seek funding and authorization through the annual budget process even though they have a construction project authorized and appropriated. The time it takes to obtain the authorization and appropriation to purchase the facility often results in the identified facility no longer being available. As an example, the requirements of the military installation could be met by the acquisition of a facility listed on the Resolution Trust Corporation inventory, and it would be in the best interest of the Government to do so.

SEC. 2811. TRANSFER OF THE FORT BELVOIR, VA, NATURAL GAS DISTRIBUTION SYSTEM

The proposed legislation will authorize the Secretary of the Army to transfer a natural gas distribution system at Fort Belvoir, Virginia, to the Washington Gas Company, Springfield, Virginia. Fort Belvoir owns, operates and maintains 15.6 miles of on post natural gas distribution. The heart of the system is cast iron mains, installed in the early 1950's. Natural gas service is provided by the Washington Gas Company, the local distribution company that services Fort Belvoir. The Washington Gas Company would take over the responsibility for ownership, maintenance, repair, safety inspections, and leak test surveys for the entire Fort Belvoir natural gas distribution system. System upgrade would be accomplished by the Washington Gas Company at no cost to the Government based on anticipated fuel oil conversions to natural gas. Costs avoided by Fort Belvoir, by not having to update/improve the on post natural gas distribution system to current Department of Transportation standards, would be used to convert fuel oil fired boilers to natural gas. As the major oil burning sources are converted to natural gas, installation air emissions would be markedly reduced to well within Commonwealth of Virginia limits on the emission standards set by the Virginia Department of Air Pollution Control and the Environmental Protection Agency. Environmentally harmful oil spills would be significantly minimized. In summary the total energy savings by converting this first group of buildings to natural gas would be $154,226 per year in fuel costs, approximately $25,000 per

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year in maintenance and repair costs, $450,000 in savings by having the Washington Gas Company update the lines to current standards and a tremendous reduction in sulphur dioxide emissions.

SEC. 2812. TRANSFER OF THE FORT LEE, VA, WATER DISTRIBUTION SYSTEM

The proposed legislation will authorize the Secretary of the Army to transfer the Fort Lee water distribution system to the American Water Company, Virginia. The Department of the Army policy encourages the use of local municipal, regional, cooperative and private utility systems when cost effective. An economic analysis shows that it is more cost effective for the American Water Company, a private company, to assume ownership and operation of the water system at Fort Lee. Currently Fort Lee owns, operates and maintains its own water distribution system which provides water service solely to Fort Lee, and the system is rapidly becoming technically and operationally obsolete, making it difficult to operate and maintain in compliance with the Environmental Protection Agency, state permit requirements, and the Safe Drinking Water Act. Most local utility companies are better staffed and equipped to provide more cost effective operation and maintenance services and to adhere to environmental compliance laws and regulations than Army personnel or its contractors. The transfer of this system would relieve the government of the responsibility for complying with the ever increasing and more stringent federal and state requirements governing the operation of these facilities with the following expected savings, benefits, and improvements: (1) an economic analysis clearly demonstrates that this proposed transfer will be the most cost effective option for the Army yielding an estimated cost avoidance to the Army of approximately $167,289 annually or $2.89M over the 25 year life cycle. (2) The American Water Company would operate the water system in compliance with all applicable environmental laws and regulations including any permit or license requirements. This would shift certification for water quality to the American Water Company. Since the anticipated annual savings are quite significant and beneficial to the Army this transfer is in the best interest of the U.S. Government.

SEC. 2813. TRANSFER OF THE FORT PICKETT, VA, WASTE WATER TREATMENT FACILITY

The proposed legislation will authorize the Secretary of the Army to transfer a waste water treatment facility at Fort Pickett, Virginia, to the Town of Blackstone, Virginia. Fort Pickett owns and operates a waste water treatment facility which treats waste water generated by Fort Pickett and the Town of Blackstone. In 1942, at the Army's request, the Town of Blackstone was connected to the Fort Pickett plant due to effluent discharge problems which interfered with the fort's drinking water. The town of Blackstone and its residential, commercial and industrial residents are totally dependent on the Fort Pickett waste water treatment facility. The Town and its residents contribute approximately 50 percent of the flow to the waste water treatment facility, for which they pay to Fort Pickett a pro rata share of the plants capital costs and operating and maintenance expenses. The Army's wastewater treatment facility cannot meet the new permit discharge requirements established by the Environmental Protection Agency and the Virginia Water Control Board without major and costly renovations: reference FY 93, Military Construction project for $6.1M to bring the waste water treatment plant into compliance. If the Army makes the required renovations and assesses the Town of Blackstone with its pro-rata share of these costs, the assessment would have a disastrous impact on the town's economy. In addition, the increased operating expenses caused by the most stringent permit requirements will substantially increase the rates to the citizens of Blackstone. This adverse economic impact could be substantially reduced if the town were to acquire the facility and operate it as a municipal facility since it would then be eligible for various grants and low interest loans which are only available to municipalities. Blackstone has requested that it be allowed to acquire the facility.

SEC. 2814. TRANSFER OF THE STEWART ARMY SUBPOST WATER DISTRIBUTION SYSTEM AND RESERVOIR

The proposed legislation will authorize the Secretary of the Army to transfer the STAS water distribution system and reservoir to the Town of New Windsor, New York. Stewart Army Subpost owns and operates its water distribution system. Treated water is purchased from the STAS plant leased to the New York Department of Transportation and operated by the Town of New Windsor. The STAS facilities, including the open water storage reservoir, will not meet the New York clean water standards in 1994. New Windsor proposed to create a Water District Extension No. 9 to provide service consistent with 1994 requirements. This proposal would abandon the STAS facilities except for the reservoir which would be lined and covered to meet the Clean Water Act requirements established by EPA. The Town of New Windsor's proposal to create Water District Extension No. 9 would provide water at the least cost consistent with Clean Water Act requirements established by EPA. The creation of District No. 9 included the opportunity of having the Town of New Windsor provide normal distribution operation and maintenance services as it does for all water district members. The Town of New Windsor as the local utility company is better staffed and equipped to provide more cost effective operation and maintenance services and to fully adhere to environmental compliance laws and regulations. Present contract negotiations clearly demonstrates that this proposed transfer will be the most cost effective option for the Army, yielding an estimated cost avoidance of approximately $267,314 annually. The Town of New Windsor would operate the water distribution system and reservoir in compliance with all applicable environmental laws and regulations including any permit or license requirements. Department of the Army policy is to go to the private sector for such service when cost and benefits to the government justify the transaction. Since the anticipated annual savings are quite significant and beneficial to the Army this transfer is in the best interest of the U.S. Government.

SEC. 2815. CLARIFICATION OF DEPARTMENT OF STATE HOUSING POOL PARTICIPATION

This provision clarifies the existing authority for the Department of Defense to accept housing leased by the Department of State. As originally drafted and implemented, the number of units accepted by the Department of Defense does not count against the ceiling on high cost leases imposed on the Department of Defense by section 2828(e)(1). The use of the word "included" in the statute as currently written creates confusion about whether the number of units accepted from the State Department are to be included in the count toward the high cost lease ceiling. Inasmuch as the original intent that these units not be included in the high cost lease count has been implemented without question, the change of "included" to "excluded" will clarify that the State Department houses are not to be included in the ceiling count.

DEPARTMENT OF DEFENSE,
Washington, DC, April 27, 1993.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To authorize certain construction at military installations for Fiscal Year 1994, and for other purposes." This legislative proposal is needed to carry out the President's Fiscal Year 1994 budget plan. The Office of Management and Budget advises that there is no objection to the presentation of this proposal to Congress, and that its enactment would be in accord with the program of the President.

This proposal would authorize appropriations in Fiscal Year 1994 for new construction and family housing support for the Active Forces, Defense Agencies, NATO Infrastructure Program, and Guard and Reserve Forces. The proposal establishes the effective dates for the program and contains the general provisions.

The Fiscal Year 1994 Military Construction Authorization Bill includes construction projects at locations recommended for closure or realignment to the 1993 Defense Base Closure and Realignment Commission. The Defense Base Closure and Realignment Act requires the Department to treat all bases equally when determining closure or realignment recommendations. The base closure and the military construction processes proceeded independently to maintain the integrity of the base closure process. The Department did not make adjustments to construction projects at recommended locations because they could be viewed as predecisional to the base closure process. The Military Departments have in place policies and procedures to reevaluate all previously appropriated construction projects at bases on the 1993 list.

An identical letter has been sent to the Speaker of House of Representatives.

Sincerely,

JOHN H. MCNEILL,
Deputy General Counsel.●

By Mr. NUNN (for himself and Mr. THURMOND):

S. 1255. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS AUTHORIZATION ACT FOR FISCAL YEAR 1994

● Mr. NUNN. Mr. President, by request, for myself and the senior Senator from South Carolina [Mr. THURMOND], I introduce, for appropriate reference, a bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1994, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining

its purpose be printed in the RECORD immediately following the listing of the bill.

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

S. 1255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Energy National Security Programs Authorization Act for Fiscal Year 1994."

Subtitle A—National Security Programs Authorizations

SEC. 101. WEAPONS ACTIVITIES.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for operating expenses incurred in carrying our weapons activities necessary for national security programs in the amount of $3,768,954,000, to be allocated as follows:

(1) For research and development, $1,119,325,000.

(2) For testing, $428,383,000.

(3) For stockpile support, $1,802,280,000.

(4) For program direction, $280,466,000.

(5) For complex reconfiguration, $138,500,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) that are necessary for national security programs and are associated with weapons activities as follows:

Project GPD–101, general plant projects, various locations, $16,500,000.

Project GPD–121, general plant projects, various locations, $7,700,000.

Project 94–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $11,110,000.

Project 94–D–124, hydrogen fluoride supply system, Oak Ridge Y–12 Plant, Oak Ridge, Tennessee, $5,000,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 94–D–127, emergency notification system, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 94–D–128, environmental safety and health analytical laboratory, Pantex Plant, Amarillo, Texas, $800,000.

Project 93–D–102, Nevada support facility, North Las Vagas, Nevada, $4,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $5,000,000.

Project 93–D–123, complex–21, various locations, $25,000,000.

Project 92–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $27,479,000.

Project 92–D–126, replace emergency notification systems, various locations, $10,500,000.

Project 90–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $30,805,000.

Project 88–D–106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $39,624,000.

Project 88–D–122, facilities capability assurance program, various locations, $27,100,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $20,000,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for capital equipment not related to construction for weapons activities necessary for national security programs in the amount of $123,034,000, to be allocated as follows:

(1) For research and development, $82,879,000.

(2) For testing, $24,400,000.

(3) For stockpile support, $12,136,000.

(4) For program direction, $3,619,000.

(d) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $353,641,000 for use of prior year balances.

SEC. 102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for operating expenses incurred in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $4,832,213,000, to be allocated as follows:

(1) For corrective activities, $2,170,000.

(2) For environmental restoration, $1,536,027,000.

(3) For waste management, $2,275,441,000.

(4) For technology development, $371,150,000.

(5) For transportation management, $19,730,000.

(6) For program direction, $82,427,000.

(7) For facility transition, $545,268,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) that are necessary for national security programs and are associated with environmental restoration and waste management activities as follows:

Project GPD–171, general plant projects, various locations, $49,015,000.

Project 94–D–122, underground storage tanks, Rocky Flats, Colorado, $700,000.

Project 94–D–400, high explosive wastewater treatment system, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 94–D–401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $1,190,000.

Project 94–D–402, liquid waste treatment system, Nevada Test Site, Nevada, $491,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $9,400,000.

Project 94–D–405, central neutralization facility pipeline extension project, K–25, Oak Ridge, Tennessee, $1,714,000.

Project 94–D–406, low-level waste disposal facilities, K–25, Oak Ridge, Tennessee, $6,000,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $7,000,000.

Project 94–D–408, office facilities-200 East, Richland, Washington, $1,200,000.

Project 94–D–411, solid waste operation complex, Richland, Washington, $7,100,000.

Project 94–D–412, 300 area process sewer piping upgrade, Richland, Washington, $1,100,000.

Project 94–D–414, site 300 explosive waste storage facility, Lawrence Livermore National Laboratory, Livermore, California, $370,000.

Project 94–D–415, medical facilities, Idaho National Engineering Laboratory, Idaho, $1,110,000.

Project 94–D–416, solvent storage tanks installation, Savannah River, South Carolina, $1,500,000.

Project 94–D–417, intermediate level and low activity waste vaults, Savannah River Site, Aiken, South Carolina, $1,000,000.

Project 94–D–451, infrastructure replacement, Rocky Flats Plant, Golden, Colorado, $6,600,000.

Project 93–D–172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $9,600,000.

Project 93–D–174, plant drain waste water treatment upgrades, Y–12 Plant, Oak Ridge, Tennessee, $3,500,000.

Project 93–D–175, industrial waste compaction facility, Y–12 Plant, Oak Ridge, Tennessee, $1,800,000.

Project 93–D–176, Oak Ridge reservation storage facility, Oak Ridge, Tennessee, $6,039,000.

Project 93–D–177, disposal of K–1515 sanitary water treatment plant waste, K–25, Oak Ridge, Tennessee, $7,100,000.

Project 93–D–178, building 374 liquid waste treatment facility, Rock Flats Plant, Golden, Colorado, $1,000,000.

Project 93–D–181, radioactive liquid waste line replacement, Richland, Washington, $6,700,000.

Project 93–D–182, replacement of cross-site transfer system, Richland, Washington, $6,500,000.

Project 93–D–183, multi-function waste remediation facility, Richland, Washington, $52,615,000.

Project 93–D–184, 325 facility compliance/renovation, Pacific Northwest Laboratory, Richland, Washington, $3,500,000.

Project 93–D–185, landlord program safety compliance, Phase II, Richland, Washington, $1,351,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River, South Carolina, $13,230,000.

Project 93–D–188, new sanitary landfill, Savannah River, South Carolina, $1,020,000.

Project 92–D–125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $3,900,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $300,000.

Project 92–D–173, NO_X abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $10,000,000.

Project 92–D–177, tank 101–AZ waste retrieval system, Richland, Washington, $7,000,000.

Project 92–D–181, fire and safety improvements, Idaho National Engineering Laboratory, Idaho, $5,000,000.

Project 92–D–182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $1,450,000.

Project 92–D–183, transportation complex, Idaho National Engineering Laboratory, Idaho, $7,198,000.

Project 92–D–184, Hanford infrastructure underground storage tanks, Richland, Washington, $300,000.

Project 92–D–186, steam system rehabilitation, Phase II, Richland, Washington, $4,300,000.

Project 92–D–187, 300 area electrical distribution conversion and safety improvements, Phase II, Richland, Washington, $10,276,000.

Project 92–D–188, waste management environment, safety and health, and compliance activities, various locations, $8,568,000.

Project 92-D-403, tank upgrade project, Lawrence Livermore National Laboratory, California, $3,888,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $17,700,000.

Project 91-D-175, 300 area electrical distribution, conversion, and safety improvements, Phase I, Richland, Washington, $1,500,000.

Project 90-D-172, aging waste transfer line, Richland, Washington, $5,600,000.

Project 90-D-175, landlord program safety compliance Phase I, Richland, Washington, $1,800,000.

Project 90-D-177, RWMC transuranic waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $21,700,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $11,700,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $1,800,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $23,974,000.

Project 89-D-175, hazardous waste/mixed disposal facility, Savannah River, South Carolina, $7,000,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $85,000,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $2,137,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $10,260,000.

Project 83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina, $9,769,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $43,873,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for capital equipment not related to construction for environmental restoration and waste management activities necessary for national security programs in the amount of $203,826,000, to be allocated as follows:

(1) For corrective activities, $600,000.

(2) For waste management, $138,781,000.

(3) For technology development, $29,850,000.

(4) For transportation management, $400,000.

(5) For program direction, $9,469,000.

(6) For facility transition & management, $24,726,000.

(d) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $86,600,000 for use of prior year balances.

SEC. 103. NUCLEAR MATERIALS SUPPORT AND OTHER DEFENSE PROGRAMS.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for operating expenses incurred in carrying out nuclear materials support and other defense programs necessary for national security programs in the amount of $2,221,039,000, to be allocated as follows:

(1) For nuclear materials support, $901,166,000.

(2) For verification and control technology, $344,741,000.

(3) For nuclear safeguards and security, $86,246,000.

(4) For security investigations, $53,335,000.

(5) For office of security evaluations, $14,961,000.

(6) For office of nuclear safety, $24,859,000.

(7) For worker training and adjustment, $100,000,000.

(8) For naval reactors, including enrichment materials, $695,731,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) that are necessary for national security programs and are associated with materials support and other defense programs activities as follows:

(1) For materials support:

Project GPD-146, general plant projects, varicus locations, $31,760,000.

Project 93-D-147, domestic water system upgrade, Phase I, Savannah River, South Carolina, $7,720,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $1,800,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $20,000,000.

Project 92-D-140, F&H canyon exhaust upgrades, Savannah River, South Carolina, $15,000,000.

Project 92-D-142, nuclear material processing training center, Savannah River, South Carolina, $8,900,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $9,600,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $26,900,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $9,500,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $25,950,000.

Project 86-D-149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $3,700,000.

(2) For verification and control technology:

Project 90-D-186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $8,515,000.

(3) For naval reactors development:

Project GPN-101, general plant projects, various locations, $7,500,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $7,000,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $2,800,000.

Project 90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $7,800,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for capital equipment not related to construction for nuclear materials support and other defense programs necessary for national security programs in the amount of $141,833,000, to be allocated as follows:

(1) For materials support, $75,209,000.

(2) For verification and control technology, $15,573,000.

(3) For nuclear safeguards and security, $4,101,000.

(4) For office of nuclear safety, $50,000.

(5) For naval reactors, $46,900,000.

(d) ADJUSTMENTS.—The total amount authorized that may be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by—

(A) $100,000,000 for recovery of overpayment to the Savannah River Pension Fund;

(B) $251,065,000 for use of prior-year balances, from the Materials Support and Other Defense Programs appropriation;

(C) $100,067,000 for use of prior-year balances from the New Production Reactor appropriation; and

increased by $58,000,000 for education programs.

SEC. 104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1994 for operating expenses incurred in carrying out the nuclear waste fund program in the amount of $120,000,000.

Subtitle B—Recurring General Provisions

SEC. 201. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this Act may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this Act; or

(ii) $10,000,000 more than the amount authorized for that program by this Act; and

(B) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress. (2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees a report containing a full statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragrpah (2), there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this Act exceed the total amount authorized to be appropriated by this Act.

SEC. 202. LIMITS OF GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects provisions authorized by this Act if the total estimated cost of the construction project does not exceed $2,500,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this Act, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,500,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 203. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—

(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by sections 101, 102, and 103 of this Act, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such actions necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 204. FUND TRANSFER AUTHORITY.

Funds appropriated pursuant to subtitles A and B of this Act may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

SEC. 205. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—

(1) Within the amounts authorized by this Act for plant engineering and design, the Secretary of Energy may carry out advance planning and construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $500,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 206. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy, including those funds authorized to be appropriated for advance planning and construction design under sections 101, 102, 103, and 104, to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, meet the needs of national defense, or protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 205(b) does not apply to emergency planning, design, and construction activities conducted under this section.

(d) REPORT.—The Secretary of Energy shall promptly report to the congressional defense committees any exercise of authority under this section.

SEC. 207. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 201, amounts appropriated pursuant to this Act for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 208. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

Subtitle C—Fiscal Year 1995 Authorization

SEC. 301. AUTHORIZATION OF FUNDS FOR 1995.

There are authorized to be appropriated to the Department of Energy such sums as may be necessary for fiscal year 1995 to carry out national security programs and environmental restoration and waste management programs.

DEPARTMENT OF ENERGY,
Washington, DC, June 8, 1993.

Hon. AL GORE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is proposed legislation "[t]o authorize appropriations for the Department of Energy for national security programs for fiscal year 1994, and for other purposes." Title I of this bill would authorize $6.055 billion for national security programs and $5.466 billion for environmental restoration and waste management. The bill would authorize appropriations to the Department of Energy totaling $11.521 billion for fiscal year 1994.

The primary defense mission of the Department of Energy continues to be the maintenance of the Nation's nuclear deterrent. Consistent with the decline in defense requirements and the need to enhance our Nation's economic well being, the emphasis of the Department's activities will focus on: maintaining the enduring stockpile and our core research, development, and testing capability; expanding the rate of dual-use technology development transferred to the private sector; making progress to reconfigure the weapons complex to one which is smaller and more cost effective; providing efficient and forward looking management of our inventory of nuclear materials; ensuring the regulatory and environmental, safety and health compliance of DOE facilities; and developing and implementing workers retraining and adjustment programs.

Environmental restoration and waste management activities comprise a growing portion of the Department of Energy budget and reflect the Department's commitment to protect public and worker health and safety as well as the quality of the environment. Continued commitment of resources by this Department and Congress in this area is essential to ensure that key environmental initiatives are completed.

As in all of our activities, this authorization request reflects a concern for safety, reliability, and compliance with law, regulations and accepted practice.

Title II of this request includes recurring general provisions that would govern reprogramming of funds, general plant projects, construction projects, fund transfers, construction designs, and availability of funds. Section 202 of this bill would increase the dollar limit for General Plant Projects from $1.2 million to $2.5 million. Title III would authorize such sums as may be necessary for fiscal year 1995.

I look forward to working closely with Congress toward enactment of this legislation.

The Office of Management and Budget advises that presentation of this legislative proposal for consideration by the Congress is in accord with the President's program.

Sincerely,

ERIC J. FYGI,
Acting General Counsel.●

By Mr. DOLE (for himself, Mr. HARKIN, Mr. HELMS, Mr. MCCAIN, Mr. LEAHY, Mr. SIMON, Mr. D'AMATO, Mr. DURENBERGER, Mr. KENNEDY, Mr. INOUYE, Mr. LUGAR, Mr. MITCHELL, Mr. JEFFORDS, Mr. HATFIELD, Mrs. KASSEBAUM, Mr. MOYNIHAN, and Mr. HATCH):

S. 1256. A bill to amend the Foreign Assistance Act of 1961 to examine the status of the human rights of people with disabilities worldwide; to the Committee on Foreign Relations.

DISABILITY RIGHTS IN AMERICAN FOREIGN POLICY ACT OF 1993

Mr. DOLE. Mr. President, I introduce today the Disability Rights in American Foreign Policy Act of 1993. It is a short bill, and requires just one thing: That the Secretary of State include an examination of discrimination against people with disabilities in the annual report on human rights mandated by the Foreign Assistance Act of 1961.

I am pleased that this bill comes before the Senate with strong bipartisan support. Senators HARKIN, HELMS, MCCAIN, LEAHY, SIMON, D'AMATO, DURENBERGER, KENNEDY, INOUYE, LUGAR, MITCHELL, JEFFORDS, HATFIELD, KASSEBAUM, MOYNIHAN, and HATCH join me as cosponsors of this measure.

Mr. President, neither the length nor simplicity of this bill should obscure its promise or power, which is to introduce for the first time an explicit recognition of the rights of people with disabilities in American foreign policy.

Mr. President, our Nation was founded on the concept of human rights. Recently we celebrated the 217th anniversary of American independence. As children, we all learned the immortal words which begin the Declaration of Independence:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

These sentiments were later echoed in the declaration of human rights adopted by the United Nations in 1948, the first international accord on human rights in world history:

> All human beings are born free and equal in dignity and rights.

Just last month, the world's commitment to the proposition of universal

human rights was reaffirmed in Vienna, at the first world conference on human rights in 25 years.

Mr. President, on July 26 we will commemorate the third anniversary of the Americans With Disabilities Act. As Members of this Chamber know well, ADA heralded a new approach to disability in our Nation. Although for over 70 years we have enacted Federal disability programs and limited legal protections, we had never before made either a clear or comprehensive national mandate for the elimination of discrimination.

But ADA has done more than prohibit discrimination, as important as that is. With the passage of ADA, we determined our national policy on disability would be based on the positive values of equality of opportunity and inclusion.

Mr. President, it is past time we included these principles in our human rights policy. This bill will do that, and send a message around that world that america respects the rights of all people, including those with disabilities.

Indeed, America's greatest export has been its concept of human rights. Let us continue that tradition with this bill. I sincerely hope this measure will not only encourage people with disabilities all over the world, but prompt other Governments and nongovernmental organizations interested in human rights to take close interest in the circumstances of people with disabilities.

Mr. President, I am mindful that there will be objections to even this modest measure. For example, some may say the situation of people in developing nations is so difficult that attention to the disabled is an unaffordable luxury.

I do not agree. In my maiden speech before this body almost 25 years ago, I insisted that Americans with disabilities must be recognized as full, contributing partners in the building of this Nation.

But today I realize how parochial these words were. People with disabilities, of whatever region or nation, must be recognized as full, contributing partners in the building of the world.

According to the United Nations, of the 500 million people worldwide with disabilities, 80 percent live in developing nations. The rights of these individuals cannot wait until it is convenient to recognize them. Moreover, this year's World Bank report on development finds that disability is a serious impediment to economic growth in developing countries.

And let me note further, Mr. President, with anger and sadness, that the manufacture of disability is one of the great industries of the world. Today, millions of people become disabled from war and civil strife, in Bosnia and Hercegovina, in Somalia, and in too many other places in the world. This bill is preparation and hope for peace.

Mr. President, others may argue that we are advocating special rights for people with disabilities. Again, I disagree. We ask merely that they not be denied opportunities accorded others.

In closing, Mr. President, let me note that this bill is only a beginning, and there is much more to be done. Two years ago I joined with Senators SIMMON, HARKIN, and HELMS in proposing amendments to a reauthorization of the Foreign Assistance Act that would provide for the first time a specific mandate for aid to people with disabilities. As I said at that time:

> It is our duty to provide assistance to other nations as they struggle to design medical and rehabilitation services for their citizens with disabilities.

That legislation never made it into law, but I intend to take up this matter again at an appropriate time.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1256

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 "Disability Rights in American Foreign Policy Act of 1993".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) at least 500 million people throughout the world have a disability, most of whom live in developing countries;

(2) legal and other forms of discrimination against people with disabilities are pervasive worldwide;

(3) such discrimination involves not only active exclusion, but a lack of accommodations and accessibility that would allow participation by people with disabilities;

(4) discrimination against people with disabilities is a violation of their human rights; and

(5) discrimination against people with disabilities has not historically been addressed by existing standards of human rights employed in American foreign policy.

(b) PURPOSE.—It is the purpose of this Act to promote recognition of the human rights of people with disabilities and to promote the elimination of discrimination against such people.

SEC. 3. DISCRIMINATION AGAINST PEOPLE WITH DISABILITIES INCLUDED IN ANNUAL REPORT ON HUMAN RIGHTS.

(a) Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following:

"(3) an examination of discrimination toward people with disabilities; and".

(b) Section 502B(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304) is amended by inserting "disability," after "language,".

ADDITIONAL COSPONSORS

S. 155

At the request of Mr. DASCHLE, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 155, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 483

At the request of Mr. SHELBY, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. SIMON], the Senator from New Hampshire [Mr. SMITH], the Senator from Missouri [Mr. DANFORTH], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 483, a bill to provide for the minting of coins in commemoration of Americans who have been prisoners of war, and for other purposes.

S. 540

At the request of Mr. HEFLIN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 540, a bill to improve the administration of the bankruptcy system, address certain commercial issues and consumer issues in bankruptcy, and establish a commission to study and make recommendations on problems with the bankruptcy system, and for other purposes.

S. 985

At the request of Mr. INOUYE, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 985, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act with respect to minor uses of pesticides, and for other purposes.

S. 995

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 995, a bill to improve the ability of the Federal Government to prepare for and respond to major disasters, and for other purposes.

S. 1157

At the request of Mr. SHELBY, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1157, a bill to establish a Commission on the airplane crash at Gander, Newfoundland.

S. 1251

At the request of Mr. HOLLINGS, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1251, a bill to extend to 1993 and subsequent crops the disaster assistance provisions of the Food, Agriculture, Conservation, and Trade Act of 1990.

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. SHELBY, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Concurrent Resolution 16,

a concurrent resolution expressing the sense of Congress that equitable mental health care benefits must be included in any health care reform legislation passed by Congress.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that joint hearings have been scheduled before the Committee on Energy and Natural Resources and the Subcommittee on Energy and Water Development of the Committee on Appropriations.

The purpose of the hearing is to receive testimony on the superconducting super collider.

The first hearing will take place on Tuesday, July 27, 1993, at 9:30 a.m. and the second hearing will be on Wednesday, July 28, 1993, at 9:30 a.m. Both hearings will be held in room SD-366 of the Dirksen Senate Office Building, First and C Streets, NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Paul Barnett and Mary Louise Wagner.

For further information, please contact Paul Barnett and Mary Louise Wagner of the committee staff at 202/224-7569. You may also contact Proctor Jones at 202/224-0335.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the Department of Energy's civilian radioactive waste program.

The hearing will take place on Monday, August 2, 1993, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building, First and C Streets, NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Mary Louise Wagner.

For further information, please contact Mary Louise Wagner of the committee staff at 202/224-7569.

NOTICE OF CHANGE IN HEARING SCHEDULES

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that the hearing scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources for Thursday, July 22, 1993, at 2 p.m. has been canceled. I regret any inconvenience this cancellation may have caused.

In addition, I would like to announce that an additional bill will be heard at the hearing previously scheduled for Thursday, July 29, 1993. The bill is S. 855, the Alaska Peninsula Subsurface Consolidation Act of 1993. The hearing will take place on Thursday, July 29, 1993, at 2 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please contact David Brooks of the subcommittee staff at (202) 224-8115.

NOTICE OF HEARING POSTPONEMENT

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee has postponed the full committee hearing on SBA's fiscal year 1994 budget proposal that was originally scheduled for Tuesday, July 20, 1993. For further information, please call Patty Forbes of the Small Business Committee at 224-5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. NUNN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Friday, July 16, 1993, at 10 a.m. in SD-138 on the flood and disaster relief in the Midwest.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. NUNN. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Friday, July 16, beginning at 10 a.m., to conduct the third of its taking-stock hearings on new directions in environmental policy to review successes and failures of environmental regulation and to consider the need for new policies to achieve a sustainable future, including environmental and trade policies in a global economy.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. NUNN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Friday, July 16, 1993, at 11 a.m. to hold a nomination hearing on Robin Raphel to be Assistant Secretary of State for South Asian Affairs.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. NUNN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, July 16, 1993, at 9:30 a.m. to hold a closed markup.

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

ADDITIONAL STATEMENTS

TRIBUTE TO THE ARKANSAS NATIONAL GUARD FOR ASSISTING FLOOD VICTIMS IN IOWA

• Mr. PRYOR. Mr. President, it is with great pride and pleasure that I rise today to recognize the Arkansas Army National Guard, which has been mobilized to assist flood victims in Des Moines, IA. In particular, I am proud to pay tribute to Company A, 39th Support Battalion and to the soldiers in that group who were selected for special duty in Iowa.

In the largest natural disaster this year, devastating flooding has left the city of Des Moines without drinking water and other basic amenities. In an attempt to provide needed relief to the flood victims, Arkansas Gov. Jim Guy Tucker called this dedicated battalion to action. The Arkansas National Guard unit has traveled to Iowa with its state-of-the-art water purification system and is currently providing 2,400 gallons of drinking water every day of this crisis. I have been informed that this relief, which will continue at least for the next 2 to 3 weeks, has been well received by the citizens in need in Des Moines

I would like to commend Gov. Jim Guy Tucker and the National Guard Bureau for sending these soldiers to Iowa, where their expertise and experience can be fully utilized in support of the public good. I also want to recognize the flexibility and diversity of the Arkansas National Guard's capabilities. Aside from performing admirably during the Persian Gulf war, where the 431st Field Artillery Unit's achievements prompted national recognition and honors, the Arkansas National Guard has once again demonstrated its readiness and ability to quickly respond to calamities at home.

I believe that the Arkansas National Guard is setting the standard for other Guard forces to follow. Their dedicated efforts reinforce the need to maintain a strong reserve component in our military that can respond quickly in time of crisis in America and in foreign lands. I ask my colleagues to join me in applauding this outstanding group of citizen soldiers.•

CONFIRMATION OF GEORGE T. FRAMPTON, JR., ASSISTANT SECRETARY, DEPARTMENT OF THE INTERIOR

• Mr. DURENBERGER. Mr. President, recently the Senate voted to confirm President Clinton's nomination of George T. Frampton as Assistant Secretary for Fish and Wildlife and Parks at the U.S. Department of the Interior. I supported the nominee, however, with reservation and with the expectation that he is a man of his word.

Since its announcement, this nomination had been strongly criticized by many Members of this body, as well as by many of my constituents. It had also received strong support. Many of the concerns raised by my colleagues I agree with, others I have not confirmed. After carefully reviewing the arguments and concerns presented to me and the two committees of jurisdiction, I decided to support the nominee.

Mr. President, I based my support on several principles that I believe are the responsibility of the Senate to apply to every Presidential nomination—Republican and Democrat. These are also principles that I feel constitute good government and I have consistently applied throughout my 15 years as a U.S. Senator.

First, I believe that the President should be able to nominate competent persons of his choice for positions of trust and confidence in his administration.

Second, it is the constitutional function of the Senate to determine whether the nominee is by character and experience competent to carry out the President's mandates and national policies, not to the appointee's personal views or preference.

Third, I will vote to confirm a nominee with whose past positions on public policy issues I disagree. The only exceptions would be if the nominee demonstrates an inability to separate personal views and advocacy in favor of the faithful discharge of the responsibilities of the position.

It is unusual, though, and frankly disconcerting, that a nominee had been chosen and presented to the Senate with such a strong record of advocacy. This is not a disqualifying factor, but it has clearly affected the judgment of my colleagues and constituents.

Mr. President, I would like to speak for a moment about the important concerns of my constituents. When it comes to natural resources, Minnesota is a Western State. Like Western States, much of its economy is greatly affected by the actions and decisions of the Department of the Interior. In the past, I have fought for balance among the interests of conservation, economic development, environment and resource protection—especially water, community development and tourism. Minnesota relies on the Secretary and his or her deputies to implement policy, build and inspire professional staff, and respond to local and regional concerns—not to advocate single minded approaches to all problems.

There are many forces and factors affecting the timber and forest products industries in this country, over some of which Mr. Frampton will have jurisdiction. Factors such as the economy, governmental and environmental regulations, trade barriers, and even nature itself, have combined to place great burdens on these industries that are so vital to the economic well-being of the Nation and to my State of Minnesota.

Given some of the views and actions taken by Mr. Frampton when he was president of the Wilderness Society, many of my constituents are greatly concerned about his ability and his willingness to make objective, practical and even-handed decisions. These attributes are essential for an official who has responsibility for the U.S. Fish and Wildlife Service [USFWS] and the National Park Service [NPS]. A bias could be devastating to the thousands of Minnesotans dependent on these industries.

I intend to hold Mr. Frampton to his commitment to me about how he will address issues affecting these industries, in particular, environmental legislation such as the Endangered Species Act. In response to my questioning on May 19, 1993, he gave the following response:

> If confirmed, I will make sure that the Fish and Wildlife Service works closely with the Forest Service (and with the BLM on its timberlands) to make sure the endangered species listing decisions, consultations, and recovery activities are undertaken in a preplanned, "programmatic" fashion to the extent appropriate in law, so that logging and other development activities where permitted will not be unnecessarily delayed, and so that industry can have a degree of certainty and predictability for their use of public lands.

Mr. President, objectivity and reason have been frequently demonstrated over the years by Mr. Frampton's predecessors. The willingness of former Assistant Secretaries like Ray Arnett, William Horn, Becky Norton Dunlop, Constance Harriman, and Mike Hayden to work with groups and individuals on all sides of the issues resulted in significant gains in the protection and enhancement of wildlife and natural resources in my State.

Under their guidance, as well as their predecessors, Congress and the Federal Government enacted legislation creating areas such as the Boundary Waters Canoe Area Wilderness, Voyageurs National Park, and the Mississippi National River Recreation Area, to name a few. All were the result of consensus building and strong leadership on the part of the Department of the Interior, NPS, and USFWS.

Such leadership was best exemplified by my friend, Harvey Nelson of the USFWS St. Paul district office. He is retired, but while executive director of the North American Waterfowl and Wetlands Office, he was instrumental in creating and forging a cooperative venture between the United States, Canada, and Mexico to protect and enhance our waterfowl flyway system. This venture could never have been finalized without his recognition and appreciation of opposing and varied points of view.

I believe that this history of accomplishment is something from which Mr. Frampton can certainly learn and emulate. I hope that he will wisely champion proposals that accurately reflect the commitments made by the President and the goals established by the Secretary during his confirmation hearings—I expect as much, and I will be watching his progress at the Department with strong interest.

Mr. President, this nominee has an arguably outstanding record of accomplishment in the area of environmental protection, and I know he is competent and qualified to carry out the duties of Assistant Secretary. I wish him well and intend to work closely with him during his tenure.

Mr. President, I yield the floor and ask that the nominee's responses during consideration by the Environment and Public Works Committee be included in the RECORD.

The responses follows:

ASSISTANT SECRETARY-DESIGNATE FRAMPTON

Senator DURENBERGER:

1. Question: Some in my state would describe your relationship over the years with the Department of Interior as adversarial and even hostile; given the history of lawsuits against the Department by The Wilderness Society. Although you have suggested recusing yourself from any decisions regarding these cases, you obviously supported them at one time. How do you intend to allay the conflict of interest concerns expressed by my constituents?

Answer: I have in fact recused myself from each of the five lawsuits pending against the Department at the time of my nomination to which The Wilderness Society was a party, for my entire tenure at the Department—longer than the customary period of recusal agreed to by all other nominees for similar matters.

While The Society's position was often adversarial to the Department's political leadership, it was most often supportive of the goals and values of career resource managers. The Society worked closely with the Park Service on many important issues. I believe that support should allay concerns about the role I will play if confirmed.

2. Question: In the President's budget is a proposal that would possibly eliminate "below-cost" timber sales in my state's two national forest; the Chippewa and Superior. I am firmly opposed to this proposal for several reasons, one of which being its tremendous economic impact on the region. I recognize that this is a Forest Service issue, but both the U.S. Fish and Wildlife Service and the National Park Service weigh into many of the decisions on public lands. Given your stated positions favoring reductions in timber cutting, how do you intend to promote

proper ecosystem management of the nation's forests and at the same time guarantee the continued viability of the industries dependent upon the timber harvest?

Answer: If confirmed, I will make sure that the Fish and Wildlife Service works closely with the Forest Service (and with the BLM on its timberlands) to make sure the endangered species listing decisions, consultations, and recovery activities are undertaken in a pre-planned, "programmatic" fashion to the extent appropriate in law, so that logging and other development activities where permitted will not be unnecessarily delayed, and so that industry can have a degree of certainty and predictability for their use of public lands.

3. Question: Secretary Babbitt has emphasized putting proven science over theory and politics—a philosophy with which I agree. You have described yourself to me as being a "pragmatic person" in the arena of public policy. Please explain if you support the Secretary's philosophy and if you intend to base the decisions of the Fish and Wildlife Service on issues such as the Endangered Species Act and wetlands on proven science or scientific analysis?

Answer: I will base decisions on the best available science.

4. Question: Certain groups and industries in my state are concerned about the government's myopic view regarding the forests of the Pacific Northwest; that the impact of decisions regarding them are isolated and confined. On the contrary, decisions to eliminate operations in that part of the country directly impact industries and companies in my state. Please explain to me how you will incorporate their specific concerns into the Northwest forest debate?

Answer: The President has instructed Secretary Babbitt and other cabinet secretaries jointly to develop an economic plan for the Pacific Northwest, as well as forest management plan. Federal economists and other experts from the Departments of Commerce and Labor and the National Economic Council are working together with Interior employees to present a comprehensive series of options to the President by June 1, 1993.●

TRIBUTE TO HUGH B. CHALMERS, JR.

● Mr. PRYOR. Mr. President, I rise today to recognize a unique and generous act of wildlife preservation on the part of Mr. Hugh B. Chalmers, Jr., a businessowner in West Memphis, AR. The story of Mr. Chalmers and a giant alligator snapping turtle not only reminds us that we all have a part to play in protecting endangered species, but that opportunities often come in unusual ways.

The lakes and bayous of Arkansas are home to a wide variety of animal species. Turtles are commonly seen on fallen logs or along the banks of these waterways. However, fishermen for the C&L Fish Market in West Memphis recently happened upon a most uncommon catch; a 101 pound alligator snapping turtle. Despite its incredible size, this creature was destined for slaughter until Mr. Hugh Chalmers intervened.

After seeing the turtle, Mr. Chalmers became convinced that this was a special animal. A curator at the Memphis Zoo confirmed his belief. The snapper was from a dwindling species and might be more than 130 years old. Believing the venerable creature deserved a better fate, Mr. Chalmers purchased the turtle and donated it to the Memphis Zoo in honor of his 15-month-old daughter, Emily. For the turtle, it was a very happy ending. A specialist studied the snapper for a few days, and then returned it to its natural habitat.

While this is basically a lighthearted story, it does hold a serious lesson. Most of us are unaware of the wide variety of animal species around us which are endangered. Mr. Chalmers might easily have taken a look at this rare animal, and then walked away without a second thought. Instead, he took the time to ask questions and was generous enough to assume responsibility for saving the creature. As Mr. Chalmers put it, "I just knew that any animal that had lived more than 100 years deserved to live a few more days." I commend Mr. Chalmers for his actions, and suggest that we should all strive to be more attentive of preservation efforts in our local areas.●

FACES OF THE HEALTH CARE CRISIS UNINSURED WORKING STUDENTS

● Mr. RIEGLE. Mr. President, I rise today in my continuing effort to put a face on the health care crisis in my home State of Michigan. Today I want to tell the story of Rick and Dawn Anderson who, as working college students, are unable to afford health insurance. Like Rick and Dawn, many young people live in fear of an unforeseen illness or injury.

Rick and Dawn are both students at Central Michigan University in Mt. Pleasant, MI. Dawn attends college full time on a work study program. Rick works full time at a local restaurant and takes classes part time. As married, working college students, Rick and Dawn's income is quite limited. In 1992, their income was only $11,000 for the two of them. This makes paying for health insurance very difficult when you have the cost of tuition and books, in addition to daily living expenses. Rick and Dawn were forced to risk going without insurance and unfortunately it has cost them dearly.

In February of this year, Rick slipped on the ice and broke his ankle. He was taken to the emergency room for treatment and eventually had surgery to correct his injury. Rick and Dawn were faced with bills from the emergency room, surgeon, radiology, and anesthesiology totaling over $1,600. An additional $3,500 in hospital charges were covered by Hill-Burton funds which cover a percentage of some hospital's uncompensated care costs. The cost of Rick's injury will burden the Andersons for many years.

Dawn has also encountered medical problems. A year and a half ago, she had an allergic reaction that went undiagnosed because they could not afford the cost of allergy tests. Fortunately, Dawn has not had any serious allergic reactions since that time.

For working college students struggling to make ends meet, $1,600 is a large sum of money. Our young people should not be forced to put their health at risk. Every American deserves to have access to affordable health care. For this reason, I will continue to work for national health care reform.●

ANSWER LIES WITHIN

● Mr. SIMON. Mr. President, a friend of mine for some years, Thomas A. Demetrio, has stepped down as president of the Chicago Bar Association.

In his final column for the CBA Record, their monthly magazine, he suggests that we have to learn to understand each other and recognize that diversity is a plus, not a minus, for a nation.

He says, accurately: "The threats to the growth and prosperity of our Nation are largely internal—not simply domestic—but internal to the citizenry of each nation in our new global community."

That is true in the United States, it is true in Bosnia, it is true in Lebanon, it is true in Northern Ireland, it is true in India, it is true in Pakistan, it is true in country after country after country.

I ask to insert into the RECORD Tom Demetrio's final column as president of the Chicago Bar Association.

The column follows:

THERE IS AN ANSWER—IT LIES WITHIN

(By Thomas A. Demetrio)

After a year of seeking answers to the legal difficulties in our diverse community, I leave the helm of the CBA with the same question I had at the start: the question of vision. From the global arena to the national agenda: from the interests of our profession to the needs of the least powerful in our city, vision is conspicuous by its absence.

As we move toward the 21st century, we must continue to seek answers to the questions that beg for the best in humanity: In what kind of society do we want to live in? In what do we believe so strongly that it must be written into law? What do I have that I can share in order to realize a vision?

We still live in a country more abundant in financial and intellectual resources than any other in the world. While we hesitate to make a decision for action on behalf of humanity around the world, we do focus on domestic reform. But on reform's behalf, we only engage in ineffective discussions surrounding who will be the winners and who will be the losers of economic and health care reforms. We never talk about remaking our society or consider rethinking our social relationships and responsibilities. We lack the vision that can respond to the great human needs still unmet by our current social and economic structures, and the vision that can respond to human need beyond our borders.

We still live in a dangerous world. But the threats to the growth and prosperity of our

nation are largely internal—not simply domestic—but internal to the citizenry of each nation in our new global community. There is, as yet, no vision that inspires a national consensus. But can we as individuals formulate a vision? Can we venture beyond each day's formidable list of tasks? If we continue to live our lives only through tasks, how can we hope to address the suffering in our community?

It is easy to ignore the conflicts of others. It is understandable that in the face of perceived threat—threat to one's peace of mind, standard of living, and personal security—we would react with heightened self-protection. But when we use our lack of interest to defend our own lives from the tragedy that strikes others around us, we have given in to delusion. Our only protection is active engagement in decisions concerning how we will conduct our relationships as members of a local community, as citizens of a nation, and as permanent neighbors on this twirling sphere.

Developing a consensual vision is difficult in a nation of diverse cultures and beliefs. The advantages and disadvantages of diversity are largely beside the fact. Only a vision that honors humanity in its diversity will allow us to maximize the benefits of diversity, and direct us toward a more peaceful society.

The legal profession is uniquely equipped to supply vision. We have been steeped in the notion that justice is guaranteed only under rule of law and only where law is applied equally. Lawyers, of course, have a special relationship with the law. While our clients may depend upon the content of the laws, we, as lawyers, are involved in a process whose purpose is judiciousness. And whether it is our specific job to formulate it or to argue over its interpretation, we all seek to uphold the law. Yet, in the everyday crunch of caseloads and deadlines and influenced by an environment prone to profit, vision and its centering force can slip our minds. We, thus, deny society the leadership it expects—perhaps unknowingly—from us.

The call is out to involve the organized bar in the reshaping of our community, nation, and world for the 21st century.

Mutual respect, consideration, diplomacy, judiciousness and civility. These are the elements necessary to any worthwhile discussion of vision. They are also elements of a vision worthy of consensus in a nation of diversity.

I have come to learn that lawyers best benefit themselves as individuals by becoming involved. Our vision and involvement must be more than an intellectual facade. They must be constructed with conscience and dwell in the heart. Only then will our society grow and change, not only due to the actions that arise from our vision, but because we, the members of a learned profession, have grown and changed through the vision we own.●

ORDER FOR THE RECORD TO REMAIN OPEN

Mr. NUNN. Mr. President, I ask unanimous consent that the RECORD remain open until 2 o'clock p.m. today for the introduction of legislation and statements.

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

ORDERS FOR TUESDAY, JULY 20, 1993

Mr. NUNN. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m., Tuesday, July 20; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and immediately following the announcements of the Chair, the Senate then resume consideration of S. 185, the Hatch Act reform bill, as provided for under the parameters of the unanimous-consent agreement of July 15; that on Tuesday, following the conclusion of all debate on the bill and amendments remaining in order to S. 185, the Senate then stand in recess until 2:15 p.m., in order to accommodate the respective party conference luncheons.

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

RECESS UNTIL TUESDAY, JULY 20, 1993, AT 8:45 A.M.

Mr. NUNN. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 1:37 p.m., recessed until Tuesday, July 20, 1993, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate July 16, 1993:

DEPARTMENT OF THE INTERIOR

MOLLIE H. BEATTIE, OF VERMONT, TO BE DIRECTOR OF THE U.S. FISH AND WILDLIFE SERVICE, VICE JOHN F. TURNER, RESIGNED.

DEPARTMENT OF COMMERCE

MARY LOWE GOOD, OF NEW JERSEY, TO BE UNDER SECRETARY OF COMMERCE FOR TECHNOLOGY, VICE ROBERT MARSHALL WHITE, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

J. JOSEPH GRANDMAISON, OF NEW HAMPSHIRE, TO BE DIRECTOR OF THE TRADE AND DEVELOPMENT AGENCY, VICE JOSE E. MARTINEZ, RESIGNED.

DEPARTMENT OF STATE

DONALD J. MCCONNELL, OF OHIO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BURKINA FASO.

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 8067, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A HIGHER GRADE THAN THAT INDICATED.

MEDICAL CORPS

To be colonel

MARK A MCLAUGHLIN xxx-xx-x...
WILLIAM J MCQUEEN xxx-xx-x...
THOMAS F MURPHY xxx-xx-x...

To be lieutenant colonel

DAVID R ARBUTINA xxx-xx-x...
JON M CASBON xxx-xx-x...
JAMES C FUNDERBURG xxx-xx-x...
BRENT M HJERMSTAD xxx-xx-x...
CHRISTINE I KWIK xxx-xx-x...
LEON W KUNDROTAS xxx-xx-x...
DONALD C MCCURNIN xxx-xx-x...
MICHAEL R MORK xxx-xx-x...
RICHARD H ROWE xxx-xx-x...
ROBERT A WILSON xxx-xx-x...
ROBERT G ZERULL xxx-xx-x...

To be major

CAREY M CAPELL xxx-xx-x...
ROBERT J KOOGLER xxx-xx-x...

DENTAL CORPS

To be lieutenant colonel

THURSTON P GREENWOOD xxx-xx-x...
JOSE M GUTIERREZ, III xxx-xx-x...
ERIC W KRAMER xxx-xx-x...
CHARLES B PETERS, III xxx-xx-x...
EDWARD K SAFFER xxx-xx-x...
RONNY M SIMMONS xxx-xx-x...

To be major

TERENCE A IMBERY xxx-xx-x...
ALLAN D LINEHAN xxx-xx-x...
STACY E ROBINSON xxx-xx-x...
DAVID A STANCZYK xxx-xx-x...

THE FOLLOWING INDIVIDUAL FOR APPOINTMENT AS RESERVE OF THE AIR FORCE, IN GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 593, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 8067, TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be lieutenant colonel

LILLIAN E PEREZ xxx-xx-x...

THE FOLLOWING AIR FORCE OFFICER FOR APPOINTMENT AS PERMANENT PROFESSOR, U.S. AIR FORCE ACADEMY, UNDER THE PROVISIONS OF SECTION 9333(B), TITLE 10, UNITED STATES CODE.

LINE OF THE AIR FORCE

To be colonel

ROBERT Y FOERSTER xxx-xx-x...

THE FOLLOWING AIR FORCE OFFICER FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, IN ACCORDANCE WITH TITLE 10, UNITED STATES CODE, SECTIONS 624 AND 1552, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

To be colonel

JOSEPH C FRY xxx-xx-x...

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER)

LINE OF THE AIR FORCE

To be lieutenant colonel

MAJ. BERNARD R. BARKER, xxx-xx-x... 1/25/93
MAJ. RANDY L. BERGQUIST xxx-xx-x... 4/18/93
MAJ. MALCOLM CAIN xxx-xx-x... 3/30/93
MAJ. GARY A CRANMER xxx-xx-x... 3/16/93
MAJ. CARL C. CUMM, xxx-xx-x... 3/15/93
MAJ. GARY D. HAGER xxx-xx-x... 4/15/93
MAJ. JOHN T. LESTER xxx-xx-x... 5/1/93
MAJ. ROBERT K. LEWIS xxx-xx-x... 4/14/93
MAJ. ROBERT J. MCCUSKER xxx-xx-x... 4/13/93
MAJ. NICHOLAS M. MONTGOMERY, JR. xxx-xx-x... 4/3/93
MAJ. RICHARD A. PELOSI xxx-xx-x... 4/3/93
MAJ. JUAN F. ROMAN-SANTIAGO xxx-xx-x... 4/9/93
MAJ. TERRY L. SCHERLING xxx-xx-x... 4/15/93
MAJ. JOHN M. WILLIAMS xxx-xx-x... 3/30/93
MAJ. ELLIOTT W. WORCESTER, JR. xxx-xx-x... 4/15/93
MAJ. PAUL G. WORCESTER xxx-xx-x... 4/15/93

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

MAJ. ALBERT R. BANDY xxx-xx-x... 4/7/93
MAJ. STEPHEN J. GIEBELHAUS xxx-xx-x... 3/21/93
MAJ. STEVEN H. KATZ xxx-xx-x... 3/20/93
MAJ. STANLEY W. KOPACZ, JR. xxx-xx-x... 3/25/93
MAJ. JOHN W. SHEFFIELD, II xxx-xx-x... 4/17/93
MAJ. MICHAEL F. VANHOOMISSEN xxx-xx-x... 4/14/93

MEDICAL CORPS

To be lieutenant colonel

MAJ. ROBERT L. FERGUSON xxx-xx-x... 4/3/93

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF

THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A) AND 3385:

ARMY PROMOTION LIST

To be colonel

DAVID H. BLAIR xxx-xx-x...
ROBERT B. BROWNLOW xxx-xx-x...
MICHAEL C. FAIR xxx-xx-x...
JOSEPH A. GOODE, JR. xxx-xx-x...
RONALD K. HOOD xxx-xx-x...
DALE W. SCHROYER xxx-xx-x...
ROBERT P. VOSSELLER xxx-xx-x...
GERALD D. WOOD xxx-xx-x...

THE JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

KARL W. NEUSE xxx-xx-x...

MEDICAL CORPS

To be colonel

BEN E. FULTON xxx-xx-x...

MEDICAL SERVICE CORPS

To be colonel

MELVIN L. MORROW, JR. xxx-xx-x...
JOHN J. WEEDEN xxx-xx-x...

ARMY NURSE CORPS

To be colonel

FLOSSIE M. TAGGART xxx-xx-x...

ARMY PROMOTION LIST

To be lieutenant colonel

BROOKS J. BREECE xxx-xx-x...
DAVID M. BROCKMAN xxx-xx-x...
MARC G. COMSTOCK xxx-xx-x...
BRUCE E. DAVIS xxx-xx-x...
PETER D. FOX xxx-xx-x...
SANDERSON L. FRY xxx-xx-x...
DAVID D. GAPINSKI xxx-xx-x...
YAROPOLK R. HLADKY xxx-xx-x...
GARY E. KELLY xxx-xx-x...
TOM C. LOOMIS, JR. xxx-xx-x...
WILLIAM R. MCFARLIN xxx-xx-x...
TIMOTHY D. RINGGOLD xxx-xx-x...
BRUCE R. ROBBINS xxx-xx-x...
DAVE A. SOUHRADA xxx-xx-x...
ROBERT J. STARRETT xxx-xx-x...
RODGER E. WEST xxx-xx-x...
CHARLES T. WOODHAM xxx-xx-x...

CHAPLAIN CORPS

To be lieutenant colonel

DENIS P. KEANEY xxx-xx-x...

THE JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

CHRISTOPHER T. CLINE xxx-xx-x...
HUNTINGTON B. DOWNER, JR. xxx-xx-x...
ALEKSANDRA M. ROHDE xxx-xx-x...
GORDON W. SCHUKEI xxx-xx-x...
WALTER D. WHITE xxx-xx-x...

ARMY NURSE CORPS

To be lieutenant colonel

PATRICIA A. TURNER xxx-xx-x...

CONFIRMATIONS

Executive nominations confirmed by the Senate July 16, 1993:

DEPARTMENT OF THE INTERIOR

ADA E. DEER, OF WISCONSIN, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR.

DEPARTMENT OF STATE

WILLIAM CHRISTIE RAMSAY, OF MICHIGAN, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE CONGO.

WILLIAM H. DAMERSON, III, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALI.

JOSEPH A. SALOOM III, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

DENNIS C. JETT, OF NEW MEXICO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MOZAMBIQUE.

LAURENCE EVERETT POPE, II, OF MAINE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHAD.

HOWARD FRANKLIN JETER, OF SOUTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOTSWANA.

ANDREW J. WINTER, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE GAMBIA.

DEPARTMENT OF VETERANS AFFAIRS

VICTOR P. RAYMOND, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING).

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.