

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The SPEAKER pro tempore. Pursuant to House Resolution 170 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1868.

□ 1258

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, with Mr. HANSEN in the chair.

The Clerk read the title of the bill.

□ 1300

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 22, 1995, all time for general debate had expired.

Pursuant to the rule, the bill shall be considered under the 5-minute rule by titles and each title shall be considered as having been read.

Before consideration of any other amendment, it shall be in order to consider the amendments printed in part 1 of House Report 104-147. Those amendments will be considered in the order printed, by a Member designated in the report, may amend portions of the bill not yet read for amendment, are considered as having been read, are not subject to amendment, and are not subject to a demand for division of the question. Debate on each amendment is limited to 10 minutes, equally divided and controlled by the proponent and an opponent of the amendment.

After disposition of the amendments printed in part 1 of the report, the bill as then perfected will be considered as original text.

An amendment printed in part 2 of the report shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member who has caused an amendment to be printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as having been read.

The clerk will read.

The clerk read as follows:

H.R. 1868

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1996, and for other purposes, namely:

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted to refresh the Members as to where we are. We had general debate, and since that time the weekend has intervened.

Just to bring the Members of Congress up to date on where we are on this foreign operations appropriation bill, H.R. 1868, let me tell the Members we have worked out a bipartisan agreement with both sides of the aisle, working very hard to bring to this floor a bill that both sides could support. The ranking member on the committee, the gentleman from Texas, CHARLIE WILSON, has been most cooperative, as have all Members of the other side that have approached the committee. We do not want to deny any Member the opportunity to address any issue they want to in this bill. Thus, the open rule.

However, I must tell the House that we have 73 pending amendments to this bill. We would like for them to be considered as expeditiously as possible. I have informed the leadership, and I have discussed it with the ranking member of our committee, we are willing to stay here until 4 o'clock in the morning if that, indeed, is what the Members want to do. We want to have everybody here. However, at the same time, we are going to ask Members to be as brief as possible.

First of all, this bill is \$11.99 billion in budget authority. Most importantly, it is a 22-percent reduction from 1995. It is nearly \$3 billion less than what the administration has requested.

The American people have sent us a strong message telling us to cut Government spending, and they said to cut foreign aid as well. That is precisely what this bill does. It is drafted in such a manner that it gives the administration a great deal of latitude. I would hope that we do not fall prey to some today who will be coming before us asking us to increase this measure.

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$786,551,000 to remain available until September 30, 1997: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until 2010 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1996 and 1997: *Provided further*, That up to \$100,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: *Provided further*, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$20,000 for official reception and representation expenses for members of the Board of Directors, \$45,228,000: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1996.

OVERSEAS PRIVATE INVESTMENT CORPORATION NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed \$26,500,000: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, \$79,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account: *Provided*, That such costs, including

the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1996 and 1997: *Provided further*, That such sums shall remain available through fiscal year 2003 for the disbursement of direct and guaranteed loans obligated in fiscal year 1996, and through fiscal year 2004 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT  
TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, \$40,000,000: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1997, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

INTERNATIONAL FINANCIAL INSTITUTIONS  
CONTRIBUTION TO THE INTERNATIONAL FINANCE  
CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, \$67,550,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: *Provided*, That of the amount appropriated under this heading not more than \$5,269,000 may be expended for the purchase of such stock in fiscal year 1996.

CONTRIBUTION TO THE ENTERPRISE FOR THE  
AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, \$70,000,000 to remain available until expended.

Mr. WILSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to echo what the chairman of our subcommittee said. The minority is perfectly willing to stay here until 4 o'clock in the morning to finish the bill.

I would also like to underline that the bill is a fairly fragile compromise, and I hope that we can keep it from being fundamentally changed. As it is now, I think it is veto-proof. I think that would be a very constructive thing for the House to do.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GILMAN:

Page 8, beginning on line 9, strike "shall be made available notwithstanding any other provision of law, and".

Page 9, beginning on line 15, strike "*Provided further*," and all that follows through "Committees on Appropriations".

Page 16, line 23, strike "and for other purposes,".

Page 19, line 8, strike "1.5" and insert "1".

The CHAIRMAN. Pursuant to House Resolution 170, the gentleman from New York [Mr. GILMAN] and a Member opposed will each be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I strongly support this bill, which is the product of careful consultation with our Committee on International Relations by the subcommittee, under the leadership of the gentleman from Alabama [Mr. CALLAHAN]. I commend the distinguished chairman, the gentleman from Alabama, and the ranking minority member, the gentleman from Texas [Mr. WILSON]. The bill as a whole deserves the support of the House. I strongly urge Members to support it on final passage.

Mr. Chairman, my en bloc amendment is designed to overcome certain concerns I had with the bill as reported. Chairman CALLAHAN, Chairman SOLOMON, and I agreed that the best way to handle these concerns, which might otherwise be subject to a point of order, would be for me to offer two amendments. This is the first of those amendments.

The amendment would strike three legislative provisions and alter a third.

The first provision strikes legislative language in the Child Survival and Diseases Fund Program that would allow funds appropriated to the fund to be made available notwithstanding any other provision of law.

This language is inappropriate, in my view, because it would set aside appropriate provisions of the Foreign Assistance Act and give the administration little guidance beyond the bill's six child survival purposes.

In recent days, Members expressed concerns about the child survival section of the Foreign Assistance Act. The International Relations Committee will be considering legislation later this summer to update the Child Survival Program. We will update provisions of the FAA and take care of any concerns with current law. I trust it will be a bipartisan bill and would seek its rapid adoption in the Congress.

The second provision would strike the provision that allows the transfer of funds from AID's Development Assistance account to the Treasury Department for debt restructuring. Given the cuts to the Development Accounts in the authorizing bill, our International Relation Committee chose not to allow the transfer funds from development assistance to other accounts in violation of section 109 of the Foreign Assistance Act. The policy of section 109 of the FAA is clear—funds may not be transferred from development as-

sistance. I think it was wise policy when it became law. I do not think this law should be waived. I will also point out that during debate on the authorizing bill, the House decisively rejected an attempt to provide additional funds for debt restructuring.

The third provision strikes language that expands the purposes of the appropriation for the Freedom Support Act—assistance to the former Soviet Union—to unspecified other purposes, notwithstanding any other provision of law. This is the kind of legislative language that could have the effect, however unintentional, of weakening the appropriate oversight role of the authorizing committees, since it is not at all clear what the other purposes of such additional aid would be or what authorities they would employ. If this language were not stricken, the House would be appropriating, to some degree, in the blind with respect to the somewhat troubled aid program for Russia and the New Independent States.

Finally, the amendment changes the ratio of required private participation in certain programs in Russia. This amendment reflects the reality that, in dollar terms, indigenous contributions by Russians, valued in dollars, are necessarily going to be very small, and it will be very difficult to reach the required ratio for many projects.

In a compromise with Chairman CALLAHAN, we agreed to reduce this ratio from 1.5 to 1 down to 1 to 1. It will reflect an equal partnership between the public and private sectors. It was my understanding from the appropriations committee staff that this change would help groups like Save the Children in Russia and other New Independent States.

Mr. Chairman, I appreciate the effort made by Chairman CALLAHAN and Rules Committee Chairman SOLOMON to help me address several concerns that have come up during consideration of this bill.

We had unprecedented cooperation between the subcommittee and our Committee on International Relations. Chairman CALLAHAN addressed some of my concerns through an amendment he offered in full committee and I thank him for that. With the adoption of this amendment and the one that I will offer next, our committees will be in sync.

The CHAIRMAN. Is there a Member opposed to the amendment offered by the gentleman from New York?

Mr. WILSON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. WILSON] is recognized for 5 minutes.

Mr. WILSON. Mr. Chairman, I rise in opposition to the amendment.

This amendment would delete a provision that waives legislative restrictions for programs for child survival.

Over the past several years the committee has included this provision in the bill because programs for children

should be carried out without technical or political restrictions.

The provision has enabled aid to help displaced children, orphans, and other children in distress in Bosnia, Mozambique, Somalia, and Rwanda.

It enables the United States to respond quickly to assist children as a result of natural disasters, war, and the spread of disease.

Assistance to children for immunization, family reunification, and other assistance is the one area in the foreign assistance area where we can statistically show that benefits are achieved and in fact lives are saved. UNICEF has estimated that the United States program for child survival has saved more than 1 million lives during the past 10 years.

Mr. Chairman, there are a number of legislative provisions in this bill that have been here for a number of years—since there hasn't been an authorization bill signed into law for more than 10 years.

I do not know why the gentleman has chosen this one to strike. But I think for the sake of saving lives of children, Members should vote against the Gilman amendment.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the pending first amendment provided for under the rule, by the chairman of the Committee on International Relations, and incidentally, I want to thank the chairman for his cooperation during this process, and for helping me through his very knowledgeable history in foreign relations.

However, the amendment of chairman of the Committee on International Relations reflects discussions between us prior to the Committee on Rules hearing last week. By way of explanation, the "notwithstanding" provision that is deleted in this amendment was inserted by the Committee on Appropriations to allow the executive branch to act more expeditiously than the Foreign Assistance Act would allow in the case of epidemics. The diphtheria epidemic now sweeping across the former Soviet Union is a case in point.

According to the General Accounting Office, AID delayed contracting with the Centers for Disease Control in Atlanta, when diphtheria struck the Ukraine more than a year ago. Now that the epidemic has spread, we accept the chairman's assurances that the "notwithstanding" clause is unnecessary to prevent future delays in responding to epidemics to prevent future delays in responding to epidemics abroad.

The two language changes in the heading "Assistance for the New Independent States of the Former Soviet Union" should not change the Committee on Appropriation's original objec-

tives. Administration lawyers have assured us that reverting to the customary term "and for related programs" as a result of the deletion proposed by the chairman, the gentleman from New York [Mr. GILMAN], will in no way reduce the ability of the coordinator and special advisor to obligate these funds. They may be used for any activities in the former Soviet Union that were requested by the administration and the Committee on Appropriations.

Mr. Chairman, I am not going to ask for a recorded vote, I would say to the gentleman from Texas [Mr. WILSON].

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I am pleased to yield 30 seconds to the gentleman from Wisconsin [Mr. ROTH], a senior member of the Committee on International Relations.

Mr. WILSON. Mr. Chairman, I yield 30 seconds to the gentleman from Wisconsin [Mr. ROTH].

The CHAIRMAN. The gentleman from Wisconsin [Mr. ROTH] is recognized for 1 minute.

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, we have two amendments here that are very important. The first one deletes authorizing language from the bill which runs directly contrary to the provisions that came out of the Committee on International Relations and were written in the law.

In one instance, the bill waives all provisions of law in providing funds for certain health-related programs. In another instance, the bill authorizes \$15 million of debt relief in Africa. In another, the bill authorizes the transfer of \$15 million from the development fund for Africa. That is why these amendments are important.

In offering these amendments, the gentleman from New York is making a very important point. The point is this: appropriations bills should be consistent with the authorization bills. This is not the case here. I understand the tendency, as has been pointed out by the gentleman from Texas [Mr. WILSON], that in the past 10 years we have not had an authorization bill enacted. Now we have an authorization bill that has been passed. Before, yes, the appropriations bill carried the burden of the authorization bill.

Mr. WILSON. Mr. Chairman, if the gentleman will yield, he means he has had an authorization bill passed.

Mr. ROTH. Yes, Mr. Chairman. What we are saying is the authorization bill should set the standard. The appropriations should dovetail into the authorization bill.

The CHAIRMAN. All time has expired.

Mr. SMITH of New Jersey. Mr. Chairman, I ask unanimous consent for 2 additional minutes to engage in a colloquy with the maker of the amendment.

The CHAIRMAN. The Chair would advise the gentleman, only if the time is equally divided by each side can the Chair entertain that request.

Mr. SMITH of New Jersey. Mr. Chairman, I ask unanimous consent for an additional 3 minutes, and that it be equally divided between both sides.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I am concerned with the part of the amendment that would delete the phrase "notwithstanding any other provision of law" from the Child Survival and Disease Programs Fund in title II. I would just ask the chairman of the full committee for a clarification. If the amendment passes, can the House be assured that the money in the fund would not be used or available for population assistance?

□ 1315

We have such money designated. It has been used in the past. My hope is that this day on point for child survival interventions, immunizations, oral rehydration, and the like, and those things that were expressed on the bottom of page 7 and page 8 of the bill.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from New York.

Mr. GILMAN. If the amendment passes, the House can be assured the money in the fund would not be available for population assistance.

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman for clarifying that.

The CHAIRMAN. Under the unanimous-consent argument, the gentleman from Texas [Mr. WILSON] is recognized for an additional 1½ minutes.

Mr. WILSON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part 1 of House Report 104-147.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GILMAN: Page 8, line 16, strike "\$669,000,000" and insert "\$645,000,000".

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I urge Members' support for the Gilman-Brownback amendment. This amendment simply reduces

the foreign aid development assistance budget to the level approved by the House on June 8.

When the House debated the American Overseas Interests Act (H.R. 1561), we supported a total funding level of \$858 million for development assistance. This amount reflected a balanced reduction in foreign aid to meet our budget reduction targets included in the House-passed budget resolution. I strongly support these programs but must note that we must show spending restraint in a time of \$200-billion deficits.

Chairman CALLAHAN's bill was marked up in subcommittee while the Overseas Interests Act was debated on the floor—therefore amounts in the bill are not identical to the authorizing bill. Our amendment would simply reduce the amounts in the bill for this particular account to the authorized level as passed in the House. We support Chairman CALLAHAN's Child Survival Program and our amendment would not cut a penny from that account or AID funds for Africa. My colleagues recall that the budget savings in the Overseas Interests Act were endorsed by Chairman KASICH and the following organizations: the National Taxpayers Union Foundation, Americans for Tax Reform, the Association of Concerned Taxpayers, and Citizens Against Government Waste. Remembering the support of these budget-conscious groups, I urge support for the Gilman-Brownback amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Chairman, I rise today in strong support of the Gilman-Brownback amendment to reduce the Development Assistance Fund to the level authorized by H.R. 1561, the American Overseas Interests Act.

My support for reducing the Development Assistance Fund is not based on a desire to gut USAID's development assistance program. Nor is it based on a desire to unfairly single out individual projects for outright elimination.

The problem is we are broke. This fiscal year, the Federal Government is forecasted to spend over \$200 billion more than it takes in. That annual deficit will add to our current national debt of almost \$5 trillion.

We cannot afford to continue our current spending habits. That is why the new Republican majority in the House has crafted a balanced budget resolution, and we must meet our budget targets.

I cosponsor this amendment to the foreign aid authorization bill, H.R. 1561, to bring its funding levels in compliance with the budget resolution target.

Although this foreign operations bill overall spends even less on foreign aid than the budget resolution's target, H.R. 1868 raises the level of the Development Assistance Fund by approximately \$25 million.

I applaud the Appropriations Committee for lowering the level of tax-

payer funding of foreign assistance. However, the committee should not have used the additional savings to raise the funding levels of the Development Assistance Fund.

I agree that the United States should be providing development assistance for programs that further U.S. interests abroad. However, because of the importance of balancing the budget and reducing the deficit, we need to reduce our overall level of development assistance. As a result, we need to re-evaluate our development assistance priorities.

Providing more than \$27,000,000 to Nepal is not a priority.

Providing almost \$19,000,000 to Sri Lanka is not a priority.

Providing almost \$10,000,000 to Yemen is not a priority.

I do not want to gut these programs of the entire fund. But I cite these programs as examples of areas in which cost-cutting could and should occur.

Mr. Chairman, I ask for the passage of the bill.

Mr. WILSON. Mr. Chairman, I am confused. Do I control 5 minutes of the time?

The CHAIRMAN. Is the gentleman from Texas opposed to the amendment?

Mr. WILSON. I am extremely opposed, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas [Mr. WILSON] is recognized for 5 minutes in opposition to the amendment offered by the gentleman from New York [Mr. GILMAN]. The gentleman from New York [Mr. GILMAN] has 1 minute remaining.

Mr. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am extremely opposed to this amendment for many, many reasons, but basically because the funding levels in this bill were reached after very, very careful negotiations in order to bring a bipartisan bill to the floor, a bill that would be veto-proof, a bill that could gain wide acceptance through all elements of both parties, and to cut \$25 million here out of development assistance, which would mean a 40 percent total cut, I think would endanger that compromise.

Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I would simply say this: If the House wants to have bipartisan support for this bill, it needs to defeat this amendment. If it does not care about getting support for this bill from this side of the aisle and wants to pass it all on your own, then vote for the amendment, because that is going to be the result.

When we came out of the subcommittee, we had reached a very delicate compromise. Basically what we had done is, taking into account the level of DA already recommended by the subcommittee, we simply suggested that other accounts that had been increased over last year be reduced so that through a combination of develop-

ment assistance and assistance to Africa, we would reduce somewhat the huge cuts that had already taken place in those accounts.

The problem with this amendment is that it is cutting an account which has already been cut by 40 percent at the same time that military assistance in this bill is \$1 million above last year's level.

We do not believe that that is a balanced approach, we do not think you ought to do that, and frankly I do not instead to support a bill if it becomes nothing but a delivery mechanism for warped priorities.

It seems to me it is essential for us to stick with a bipartisan product. If this amendment is passed, you abandon that.

Mr. Chairman, I yield to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Chairman, I was going to ask the gentleman from Alabama [Mr. CALLAHAN] to yield time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] controls the time.

Mr. OBEY. Mr. Chairman, it is my understanding that there is only 1 minute left.

Mr. WILSON. I think I control the time, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas [Mr. WILSON] controls the time in opposition. The gentleman from New York [Mr. GILMAN] has 1 minute remaining.

The gentleman from Wisconsin still has the time that was yielded to him, 3 minutes.

Mr. OBEY. That is my impression. My understanding is that there will be no time for the gentleman from Louisiana [Mr. LIVINGSTON] or the gentleman from Alabama [Mr. CALLAHAN] unless I yield to them, which I am trying to do.

Mr. CALLAHAN. Mr. Chairman, if I might, respectfully ask for unanimous consent to extend the debate for 3 additional minutes on each side and then I would ask the gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations, to yield his 3 minutes to me so I can recognize the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations, and we each would have additional time.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. BURTON of Indiana. Mr. Chairman, reserving the right to object, we have, I think, 2 or 3 speakers on this side that have served on the Committee on Foreign Affairs/International Relations who feel very strongly about this amendment. We would like to have a minute or two for us to express our feelings.

I would ask unanimous consent instead of 3 minutes that we have 7 minutes so we can split it 3½ minutes on each side.

The CHAIRMAN. Does the gentleman from Alabama modify his request?

Mr. CALLAHAN. Yes, Mr. Chairman. The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. BURTON of Indiana. Mr. Chairman, further reserving the right to object, is the gentleman from Alabama [Mr. CALLAHAN] planning to give the chairman of the Committee on Appropriations 3 minutes?

Mr. CALLAHAN. Mr. Chairman, I am, when they yield to me.

Mr. BURTON of Indiana. Mr. Chairman, further reserving the right to object, that being the case, then I think we need more than the 3 minutes. We need 10 minutes.

Mr. OBEY. Mr. Chairman, is all of this coming out of my time?

The CHAIRMAN. Each side has to be equally treated in this area.

Mr. BURTON of Indiana. Mr. Chairman, I ask unanimous consent that debate on this amendment be extended by an additional 10 minutes equally divided on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. GILMAN] will be recognized for an additional 5 minutes, and the gentleman from Texas [Mr. WILSON] will be recognized for an additional 5 minutes.

Mr. OBEY. Could I ask the Chair how much time I have remaining?

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

Mr. OBEY. I thank the Chair.

Mr. WILSON. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the full committee.

Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman for yielding me the time. I doubt I will use the full 3 minutes.

Mr. Chairman, the Gilman amendment reduces the development assistance account by \$24 million in order to bring the bill in line with the authorization bill. I understand and support his desire to appropriate within House-passed authorization levels. However, I respectfully disagree with Mr. GILMAN on the merits, and the effect of this specific amendment.

Our committee was forced to not only work with the authorizing levels, but also to work out billions in cuts in a politically difficult bill.

Chairman CALLAHAN displayed amazing leadership and consensus building skills in developing a bipartisan consensus on how we should distribute the declining foreign assistance dollars. Each member of the subcommittee outlined their priorities and we compromised in order to report a bill with wide bipartisan support. Mr. WILSON and Mr. OBEY both support this legislation. I think it is important that we maintain the support of the minority in order to get this bill through.

However, if we agree to Mr. GILMAN's amendment, we break our bipartisan

agreement and risk losing support from our minority party members. It seems extremely counterproductive to lose the bipartisan support we have worked so hard to achieve, merely to prove our unequivocal compliance with the authorizing legislation. Especially since we conform with the authorization bill in almost all respects, and overall \$375 million below the total funding level assumed in the authorization bill.

In addition to breaking bipartisan support, this bill is wrong on the merits. Our committee provided a \$25 million increase for child survival activities in the newly created child survival and disease programs fund. This was done to accommodate a bipartisan effort to protect funding for child survival and infectious disease programs. Not only did we maintain a separate account, we were able to increase the level by \$25 million because of wide support for protecting children.

Mr. GILMAN's amendment, while understandable for jurisdictional reasons, is a bad amendment for the children of the world. In order to keep bipartisanship and to protect children, I urge opposition to this amendment.

Mr. GILMAN. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. CALLAHAN], the distinguished chairman of the Subcommittee on Foreign Operations of the Committee on Appropriations, and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Alabama [Mr. CALLAHAN] is recognized for 6 minutes.

Mr. CALLAHAN. Mr. Chairman, I rise in strong opposition to the amendment, but I am going to speak last on it.

At this point, though, in fairness to all concerned, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank the gentleman for yielding me the time.

Mr. Chairman, first of all, we are not going to be allowing children to starve if we pass this amendment. The authorizing committee came up with a reasonable amount of money to deal with the problems of the world. The problem is the authorizing committee came up with a figure and now we are going above that with the Appropriations Committee of \$24 million. We do not need to be spending that money at a time when we are having fiscal problems.

I want to read what one of the Chief of Staffs of AID said, Larry Byrne. He said that AID was 62 percent through the fiscal year and they had only spent 38 percent of their dollar volume. They needed to spend a \$1.9 billion in the next 5 months. Now, get that.

They were two-thirds through the year and they had only spent one-third of their money so they had to speed up the spending process, to blow American

taxpayers' dollars, so they could ask for more money.

They don't need more money. We don't need to be spending this \$24 million.

I say to my colleagues who are fiscally responsible, vote for this amendment. It takes it back to the authorizing level, which was a reasonable figure. We do not need to be going above authorized levels if we are really concerned about balancing the budget.

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. MANZULLO].

□ 1330

Mr. MANZULLO. Mr. Chairman, very briefly, what we are trying to do here is to roll back the aid to the Development Assistance Fund \$24 million, back to the authorizing levels. It is very simple. We are trying to save some money.

Mr. Chairman, I rise in support of Mr. GILMAN's amendment to strike \$24 million from the Development Assistance Fund [DAF] in an effort to cut spending and reduce the deficit and national debt.

Today the national debt stands at over \$4.89 trillion—that's right, trillion—dollars. In fact, the debt continues to increase by \$9,600 every second, which means that by the time I conclude my remarks, the national debt will have risen by another \$576,000—another half a million dollars of fiscal liability placed on the backs of our children.

Mr. Chairman, given this fiscal crisis, we as responsible legislators must continue to look for ways to make reasonable cuts in government spending. The amendment before us now makes such a reasonable reduction. Two weeks ago, we passed a foreign aid authorization bill that set spending levels for the Development Assistance Fund at \$858 million. The appropriations bill we are currently considering proposes to spend \$25 million above the authorized amount on the DAF. The Gilman amendment simply brings the appropriation in line with the levels authorized without touching the Child Survival Program.

I think we all agree, Mr. Chairman, that cutting spending to reduce the deficit and the debt is necessary and will bode well for the economy and for future generations of Americans. I think we can agree, too, that a very basic step in controlling spending is to keep appropriations within approved authorization levels. This amendment does just that. Let's stop the half-a-million-a-minute trend of debt accumulation. I support the amendment by the distinguished chairman and I urge the support of my colleagues.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I basically have a question. I realize Chairman CALLAHAN and ranking member WILSON have done a good job and we congratulate them on that. As I interpret this amendment, the nub of the issue basically is this. The gentleman's amendment takes us back to the authorization bill and basically cuts it \$24 million. It brings it back to the authorization fund. There is no jurisdiction fight

or anything as I read it; it is just going back to the authorization bill.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, the gentleman from Wisconsin is precisely correct. It cuts development assistance by \$24 million, down to \$645 million, to the level the House authorized back on June 8. It does not cut child survival or Africa development funds.

Mr. WILSON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

Mr. BERMAN. Mr. Chairman, I urge the body to reject the amendment. The fact is the appropriations bill that is before us is below the 602(b) allocation for the 150 account. The total of the bill does not exceed the authorization level. It is \$400 million below the authorization level.

As was mentioned by Chairman LIVINGSTON and Chairman CALLAHAN, the \$24 million increase in the development assistance was a major part, a very small amount of money, but it was a major part of deciding whether this body is going to go back to a bipartisan approach trying to deal with the very important question of foreign assistance.

I ask my colleagues to remember, the appropriations bill is below the 602(b) allocation, that is in the budget resolution that passed the House. The appropriations bill in total is \$400 million below the authorization level. And we are talking about \$24 million for development assistance to support the most critical programs in the foreign assistance program; the kinds of aid that goes directly to people, that is not government-to-government, that is not going to be squandered.

And what is the benefit of this? We go back to a bipartisan approach to the foreign assistance program. That is worth something. I am sorry the amendment is being offered. I hope it is rejected. I think it is critical to the future of how we handle foreign assistance programs in this body.

Mr. WILSON. Mr. Chairman, I think it would benefit the House for the gentleman from Alabama [Mr. CALLAHAN] to close.

Mr. Chairman, I yield back the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I too rise in opposition to the Gilman amendment. So just let me reinform the committee that we have worked hard. We have bipartisan support.

The Appropriations Committee has reported a bill that conforms with the authorization bill in almost all respects. In fact, overall we are \$375 million below the total funding level assumed in the authorization bill.

Chairman GILMAN maintains that we are \$25 million over the authorization

level for the Development Assistance Fund. However, that is only due to the fact that the committee provided a \$25 million increase for child survival activities in the newly created Child Survival and Disease Programs Fund.

Creation of this new fund was a response to a bipartisan effort to protect funding for child survival and infectious disease programs of the Agency for International Development. Members from both sides of the aisle on both the authorizing and appropriations committees discussed this matter with me, and I decided to protect these programs by creating a separate appropriations account.

Not only did we maintain funding for child survival programs at the 1995 level of \$275 million, we were able to increase this level by \$25 million.

In addition, I worked hard to achieve bipartisan support for this bill. Part of that compromise involved slightly higher funding levels for development assistance programs. I believe it is very important that foreign policy legislation, to the extent it is possible, be supported by Members on both sides of the aisle.

In my opinion, we do not violate the authorizing committee one iota. We have created a child survival account to make absolutely certain that the children that we are helping worldwide, the starving children that you see on television in these Third World countries and underdeveloped countries, are the ones that will suffer.

Let me encourage my colleagues in this House to keep this bipartisan agreement together; to reject the Gilman amendment.

Many of the funding levels in this bill were developed with that end in mind.

I want to stress that this bill already makes the largest reduction from a President's request for foreign aid in 20 years. It is 19 percent below the administration's request, and over 11 percent below last year's level. We have done our job on the Appropriations Committee to reduce spending on international relations.

I have the greatest respect for Chairman GILMAN. He did an outstanding job under very difficult circumstances when he successfully managed the authorization bill several weeks ago. Therefore I can understand his reluctance to agree to an appropriations bill that does not completely comply with the authorization.

However, I have developed a bipartisan bill with Mr. WILSON and Mr. OBEY, and I must oppose this amendment. I do so with the utmost respect for Chairman GILMAN, but I believe the committee process has resulted in a good bill that we can all support.

Mrs. LOWEY. Mr. Chairman, I rise in opposition to the Gilman amendment that would slice \$25 million from the Development Assistance Fund.

The Development Assistance Fund, which finances family planning programs, has become the slush fund of choice for Members of this body. Everyone is raiding the development assistance pot—a pot that is almost empty already.

Currently, this bill designates approximately \$669 million for development assistance for all

sectors including population assistance, once the child survival and disease programs earmark is deducted. Under the current bill, population assistance will get approximately a 49-percent cut from the 1996 request level. Now, Mr. GILMAN asks us to cut an additional \$25 million. This cut would have a devastating and irreversible effect on the well-being of women and children throughout the world.

These cuts would directly result in the loss of family planning and other reproductive health services to millions of women who need them. Ultimately, cuts in USAID population funding will affect the size of the world's population for decades to come. Our decisions here today will determine whether the world's population stabilizes under 10 billion, or whether it doubles from its current size to reach 12 billion by 2050, and continues to grow thereafter.

Among the immediate consequences of a 50-percent cut are an estimated 1.6 million unintended pregnancies per year, which would have been directly prevented through USAID supported family planning activities. These pregnancies will result in 1.2 million unwanted births, 363,000 otherwise unneeded abortions, and 8,000 maternal deaths.

Programs lost or dramatically reduced due to severe budget cuts would include research programs developing new contraceptive methods and methods to help prevent HIV/AIDS transmission. In addition, programs targeted at reducing the heavy reliance on abortion in countries like Russia and the New Independent States would have to be reduced or discontinued.

Moreover, with the cuts proposed here today, USAID will be unable to continue its mission of bringing family planning and reproductive health services to the world. Over 120 million women have an unmet need for family planning services today. During the next decade, 200 million more women will reach their reproductive years, creating increased demand for services. The world cannot afford for the USAID programs to be crippled by severe budget cuts.

One of the most important forms of aid that the United States provides to other countries is family planning assistance. No one can deny that the need for family planning services in developing countries is urgent and the aid that we provide is both valuable and worthwhile.

Mr. GILMAN's additional cut of \$25 million is a gratuitous swipe at family planning. To demand additional cuts on top of the 49-percent reduction, is to say to the world that the United States does not care.

Mr. Chairman, I urge my colleagues to vote against the Gilman amendment.

Mr. CALLAHAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 218, not voting 14, as follows:

[Roll No 420]

AYES—202

Allard Gekas Myrick  
 Arney Geren Nethercutt  
 Baker (CA) Gillmor Neumann  
 Ballenger Gilman Ney  
 Barcia Goodlatte Norwood  
 Barr Goodling Nussle  
 Barrett (NE) Goss Oxley  
 Bartlett Graham Parker  
 Bass Greenwood Paxon  
 Bereuter Gutknecht Petri  
 Beville Hall (TX) Pombo  
 Bilbray Hancock Portman  
 Bilirakis Hastert Poshard  
 Bliley Hastings (WA) Quillen  
 Blute Hayes Quinn  
 Bono Hayworth Radanovich  
 Browder Hefley Ramstad  
 Brownback Heineman Roberts  
 Bryant (TN) Herger Rohrabacher  
 Bunning Hilleary Ros-Lehtinen  
 Burr Hobson Roth  
 Burton Hoekstra Roukema  
 Buyer Hoke Royce  
 Calvert Horn Salmon  
 Canady Hostettler Sanford  
 Castle Houghton Saxton  
 Chabot Hutchinson Scarborough  
 Chambliss Hyde Schaefer  
 Chapman Inglis Schiff  
 Chenoweth Istook Seastrand  
 Christensen Johnson, Sam Sensenbrenner  
 Chrysler Jones Shadegg  
 Clinger Kanjorski Shays  
 Coble Kasich Shuster  
 Coburn Kelly Smith (MI)  
 Collins (GA) Kim Smith (NJ)  
 Combest King Smith (TX)  
 Condit Kingston Smith (WA)  
 Cooley Klug Solomon  
 Cox LaHood Souder  
 Cramer Largent Spence  
 Crane Latham Stearns  
 Cremeans LaTourette Stenholm  
 Cunningham Laughlin Stockman  
 Deal Lazio  
 DeLay Lewis (KY)  
 Diaz-Balart Lincoln  
 Doolittle Linder  
 Dornan LoBiondo  
 Dreier Longley  
 Duncan Lucas  
 Ehrlich Luther  
 Emerson Manzullo  
 English Martini  
 Ensign McCollum  
 Ewing McHugh  
 Fawell McInnis  
 Fields (LA) McIntosh  
 Fields (TX) McKeon  
 Flanagan Metcalf  
 Foley Meyers  
 Fowler Mica  
 Fox Miller (FL)  
 Franks (NJ) Minge  
 Frisa Molinari  
 Funderburk Montgomery  
 Gallegly Moorhead  
 Ganske Myers

NOES—218

Abercrombie Bunn Doyle  
 Ackerman Callahan Dunn  
 Andrews Cardin Durbin  
 Archer Clay Edwards  
 Bachus Clayton Ehlers  
 Baesler Clement Engel  
 Baldacci Clyburn Eshoo  
 Barrett (WI) Coleman Evans  
 Barton Collins (IL) Everett  
 Bateman Farr  
 Becerra Conyers  
 Beilenson Costello  
 Bentsen Coyne  
 Berman Crapo  
 Bishop Danner  
 Boehlert Davis  
 Boehner de la Garza  
 Bonilla DeFazio  
 Bonior DeLauro  
 Borski Dellums  
 Boucher Deutsch  
 Brewster Dickey  
 Brown (CA) Dicks  
 Brown (FL) Dingell  
 Brown (OH) Dixon  
 Bryant (TX) Doggett  
 Dooley Doole

Green McDermott Sanders  
 Gutierrez McHale Sawyer  
 Hall (OH) McKinney Schroeder  
 Hamilton McNulty Schumer  
 Hansen Meehan Scott  
 Harman Meek Serrano  
 Hastings (FL) Menendez Shaw  
 Hefner Miller (CA) Siskisky  
 Hilliard Mineta Skaggs  
 Hinchey Mink Skeen  
 Holden Mollohan Skelton  
 Hoyer Moran Slaughter  
 Hunter Morella Spratt  
 Jackson-Lee Murtha Stark  
 Jacobs Nadler Starr  
 Johnson (CT) Neal Stokes  
 Johnson (SD) Oberstar Studds  
 Johnson, E. B. Obey Stump  
 Johnston Olver Stupak  
 Kaptur Ortiz Tejada  
 Kennedy (MA) Orton Thompson  
 Kennedy (RI) Owens Thornton  
 Kennelly Packard Thurman  
 Kildee Pallone Torres  
 Kleczka Pastor Towns  
 Klink Payne (NJ) Tucker  
 Knollenberg Payne (VA) Velazquez  
 Kolbe Pelosi Vento  
 LaFalce Peterson (FL) Visclosky  
 Leach Peterson (MN) Volkmer  
 Levin Pickett Vucanovich  
 Lewis (CA) Pomeroy Waldholtz  
 Lewis (GA) Porter Walsh  
 Lightfoot Pryce Ward  
 Lipinski Rahall Waters  
 Livingston Rangel Watt (NC)  
 Lofgren Reed Waxman  
 Lowey Regula White  
 Maloney Richardson Wicker  
 Manton Riggs Wilson  
 Markey Rivers Wise  
 Martinez Roemer Wolf  
 Mascara Rogers Woolsey  
 Matsui Rose Wyden  
 McCarthy Roybal-Allard Wynn  
 McCrery Rush Yates  
 McDade Sabo Young (AK)

NOT VOTING—14

Baker (LA) Furse Moakley  
 Camp Gunderson Reynolds  
 Collins (MI) Jefferson Torricelli  
 Cuban Lantos Williams  
 Ford Mfume

□ 1356

Mrs. CHENOWETH changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment, amendment No. 44.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SANDERS: Page 4, line 26, strike "\$26,500,000" and insert "\$1,000,000".

Page 5, line 9, strike "\$79,000,000" and insert "\$0".

□ 1400

Mr. SANDERS. Mr. Chairman, as my colleagues know, this country has a \$4.7 trillion national debt, and this body has passed a budget which makes savage cuts in Medicare, Medicaid, student loans, veterans programs, and many other programs which mean a great deal to tens of millions of working Americans. Given that context, Mr. Chairman, it seems to me long overdue that the U.S. House of Representatives begins to stand up and take on the \$100 billion a year in corporate welfare which goes to the largest corporations in America and to the wealthiest peo-

ple, and this amendment begins that process.

Mr. Chairman, this amendment offers a crystal clear test case to show all of our constituents that Congress has the guts to take a bite out of corporate welfare. It will be a recorded vote to stop the Federal Government acting through the Overseas Private Investment Corporation, OPIC, from committing billions more in U.S. taxpayer dollars to help Fortune 500 companies.

What this amendment does very simply is, it says that OPIC, a Federal agency, can no longer commit and put at risk tens of billions of dollars of taxpayer money for the largest corporations in America.

OPIC is a small, obscure Federal agency which has its hands deep into the pockets of every American taxpayer. It receives at least \$26 million every year in appropriated funds, but, more importantly, it has already placed at risk, at risk, \$6.3 billion of taxpayer money, and it keeps on getting bigger.

Why is OPIC such a juicy target for cutting corporate welfare? It seems to me, Mr. Chairman, that it makes no sense at all that the Congress provide incentives for large American corporations to invest in politically unstable countries around the world. If huge Fortune 500 companies, like General Electric, duPont, Caterpillar, Westinghouse, and on and on it goes, want to make investments in unstable countries like Russia, they have every right in the world to do so. But they do not have the right to obligate American taxpayers to underwrite the insurance for the possible loss of their private investments.

Currently, if these giant corporations make a lot of money, well, the good news is that the owners of those companies become a little bit richer. However, if there is political turmoil in an unstable country, and these large companies lose their assets as a result of expropriation, or political turmoil, or civil war, guess what? It is Uncle Sam and the American taxpayers who have to bail out these companies.

Now, Mr. Chairman, OPIC does not make sense for two basic reasons. No. 1, we do not have to subsidize the largest corporations in America and stand a tremendous potential loss when we have a huge deficit. No. 2, from an economic point of view, why in God's name are we encouraging the largest corporations in America to invest abroad rather than reinvesting in America and creating jobs?

What are the outrages of OPIC can be seen on the chart to my right. We are providing incentives for corporations like Ford to invest abroad when Ford has laid off in the last 15 years over 150,000 American workers. We are providing incentives to GE to invest abroad when GE has laid off over 180—

The CHAIRMAN. The time of the gentleman from Vermont [Mr. SANDERS] has expired.



(By unanimous consent, Mr. SANDERS was allowed to proceed for 1 additional minute.)

Mr. SANDERS. Mr. Chairman, let us eliminate OPIC for two reasons. The largest, most profitable corporations in America do not need taxpayer incentives, and we do not have to cover through insurance their risky investments. No. 2, what does it say to companies in America who are reinvesting here? That we are going to subsidize large corporations who take our jobs abroad.

It is time to eliminate OPIC. I urge support for this amendment.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The Overseas Private Investment Corporation is not perfect. It does have room for improvement. Perhaps part of that can be privatized. This matter will be discussed in the amendments to be offered later in the day by the gentleman from Wisconsin [Mr. KLUG].

Mr. Chairman, the amendment before us closes down the Overseas Private Investment Corporation. In fact, it does not leave enough money to even close it down. It cannot be done for \$1 million. Many former Socialist nations are now looking to American investment and building the infrastructure needed for their own development. In the short term much of that American investment will involve OPIC insurance of financing, and, as long as these countries, such as India, do not have a track record of adherence to free market principles, OPIC is needed.

Mr. Chairman, if we are going to compete in a global economy, then our business people must compete with the Governments of Japan and Germany and all of the other industrialized nations because all of them have such an agency to assist the export of our American jobs overseas. This is the finest vehicle we have to do that, and I think that it would be a very serious mistake to do it especially in the way that the gentleman from Vermont proposes, and that is just to walk downtown, and give them a key, and tell them to lock the door, and do not even give them enough money to pay the rent for the rest of the month.

So I strongly oppose the amendment and urge my colleagues to support this bipartisan disagreement to the gentleman from Vermont's amendment and to vote "no" on this amendment.

Mr. WILSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I probably will not take the whole 5 minutes, but, if there has ever been a win, win, win situation in an institution in the United States, it is the Overseas Private Investment Corporation. The Overseas Private Investment Corporation generates an immense number of jobs in the United States and the production of heavy generation equipment, of airplanes, of airplane engines, of all the rest. It not only creates jobs, it creates a positive

balance of payments. It creates a good competitive situation against Germany and Japan.

Mr. Chairman, many Members of the House really do not know what OPIC does, but what OPIC essentially does is allow companies to buy insurance against political instabilities in other countries, and then this insurance makes it possible for them to obtain private financing.

The final point that I would make, and we are going to be making these points all day, but the final point that I would make is that OPIC not only generates an enormous number of jobs in the United States, it not only generates a positive balance of payments for the United States, but most of all it returns money to the Treasury. It is one of the few agencies I know that has a positive impact on the Nation's deficit.

Mr. Chairman, since 1971 OPIC has contributed \$2 billion to deficit reduction in the United States, and in 1996 we expect OPIC to contribute \$100 million in addition to all of its other economic contributions to our country and to our balance-of-payments accounts.

Mr. ANDREWS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I rise in strong support of the Sanders amendment.

Mr. Chairman, I myself introduced a virtually identical amendment. I would like to talk about who I think ought to be for this amendment.

First of all, let me say that I commend my colleagues on the Republican side for making some very difficult and controversial stands in favor of reducing the Federal budget. I do not agree with all that they have done, but I agree with the idea that they are addressing, in a very honest and aggressive way, the fact that we are spending far more than we take in. I invite them to continue that philosophy and continue that tradition by voting for Mr. SANDERS' amendment.

The bill, as it presently is written, calls for 79 million dollars' worth of appropriations for new loans, and new guarantees and new goals for OPIC, and it calls for, I believe, 29 million dollars' worth of operating money from the American taxpayer. Here is an opportunity, my colleagues, to say to duPont, "Be a rugged individualist," to say to CocaCola in an entrepreneurial society, "Make it on your own," to say to AT&T and GTE, "Take risks with your own shareholders' money, but not with the taxpayers' money of the United States," to American Express, "Leave home without it, leave home without the taxpayers' money the next time you want to make a deal somewhere overseas."

Mr. Chairman, I say to my colleagues, If you will look, my friends, to

cut unjustifiable welfare subsidies in the welfare budget, as I have when I voted with you on your welfare reform bill, then look to the Sanders amendment, and vote "yes." If you think that it is a wrong-headed policy for the United States to subsidize a company that will create jobs overseas, but not create jobs in the United States, then vote for the Sanders amendment.

I say to my colleagues, You think about this the next time you return to your district. If a company in your district wanted a Federal loan guarantee to make their factory bigger, or their store employ more people, or do research and development, by and large the answer would probably be "No, they wouldn't get that Federal loan guarantee," but if they chose to set up shop in Guatemala, or Malaysia, or Argentina, or somewhere else outside of the United States, here comes OPIC driven and funded by the American taxpayer to the rescue. If you think it is a bad industrial policy to subsidize the export of American capital and American jobs, then vote for the Sanders amendment.

Finally, Mr. Chairman, to my friends' concern about the foreign policy of our country, I say, If you think it is bad foreign policy for an unelected, unaccountable, private group of people to travel the world and make policy decisions on behalf of the United States, if you agree with the editors of the Wall Street Journal who said that OPIC is really nothing more than foreign policy conducted through another way, foreign aid conducted through another way then support the Sanders amendments.

Mr. Chairman, the majority is to be commended for making very difficult and sometimes unpopular decisions to try to bring our budget into balance. It is entirely consistent with that tradition that they support the Sanders amendment. I am going to; I would urge my colleagues on both sides of the aisle to do so, too.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment before us is a disaster for American exporters and, therefore, American jobs. This amendment reduces American exports, it costs American jobs, it does great harm to our competitive position in the world and will destroy a valuable tool for American exporters.

□ 1415

I think the chairman of the committee and the ranking member have explained it very precisely. This amendment simply denies OPIC the authority to function. It shuts down OPIC.

Last week's disastrous trade report underscores the reason why the House should reject this amendment. In April of this year our overall trade deficit was the worst in the 3 years, \$11 billion, and the deficit in goods was \$16 billion. The reality is, our exports are stalling.

If our exports do not grow, our economy will not grow, and probably will



slip into recession. Now, along comes this amendment, which would further reduce our exports. This amendment is economic unilateral disarmament. Who in this House wants to vote to cut exports, at the very time we are in danger of slipping into a recession?

OPIC essentially puts us in a position in the world markets where we can compete for jobs. OPIC provides two services for American business they cannot get anywhere else: Long-term insurance against risk and financing for trade and investment overseas.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, some of the other speakers have indicated that OPIC operates at a cost to the American taxpayers. Would the gentleman agree that is not so?

Mr. ROTH. Mr. Chairman, reclaiming my time, I have looked at OPIC and read the law. There is not 1 red cent of taxpayer money in OPIC. That is No. 1. No. 2, what is this talk about sending jobs overseas? OPIC has written in law that it cannot cost American jobs. That is part of the law.

Long-term financing is given so that we can compete in international markets. OPIC exists because American business cannot get this insurance and financing anywhere else. Over the past 25 years, OPIC has directly supported \$40 billion in American exports, and that translates into 800,000 jobs.

Let me repeat that again—\$40 billion in American exports. Where do you think our good-paying jobs are coming from? They come when we send our products overseas. You stop selling our products overseas, and you are not going to have jobs in New Hampshire, and Dallas, TX, or Green Bay, WI, or San Francisco. You are only going to have more good-paying jobs when you have more exports.

OPIC is the best managed Federal agency. OPIC has never lost 1 cent. OPIC has paid back to the Treasury every dollar; yes, my good friend from Ohio, every dollar it initially had to capitalize. So there is no taxpayer money, not 1 red cent.

Look at me. Am I blue in my face? There is not 1 red cent of taxpayer money involved in OPIC. Every year OPIC makes money for the Treasury. Do you know how much it made last year alone? It made \$167 million. OPIC actually helps cut the Federal deficit. It has contributed \$2 billion—yes, my friend from Texas, \$2 billion to the U.S. Treasury. It has helped to reduce the deficit. If you shut down OPIC, we will not have this money to help reduce the deficit. And where will U.S. exporters obtain the long-term financing necessary to establish a presence in foreign markets? The answer is, without OPIC, you will not.

If this amendment would become law, our exporters will suffer, particularly in the emerging markets of Latin America, Asia, and parts of Africa, where OPIC insurance is so essential.

A loss of American exports translates into a loss of American jobs. That is what we are fighting for here today. We are fighting for American jobs, because we are staring a recession in the face. We have to have jobs for our people. You cut out OPIC, you cut out exports. You cut out exports, you cut out jobs.

So let us fight for the American worker for a change. Let us do something for the American worker. This amendment makes absolutely no sense.

So here is our choice. If we want to reduce American exports, if we want to kill jobs for American workers, and if we want to make America less competitive in the world markets, then vote for this amendment.

But if you want to increase exports—and let me just say, every indicator is that we are facing a recession—if you want to fight for American jobs, then let us vote against this amendment.

Mr. LEVIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, with some reluctance because of my deep respect for the sponsor of the amendment, rise in strong opposition to this amendment. This will, in a word, lose jobs. It will not gain them.

I am in favor of eliminating unnecessary subsidies to business. I think where the private sector can do it, it should be able to do it, and it should be left to do it. But I think we have to be careful how we apply it. I believe when we talk about corporate welfare, and we need to look at it, we have to separate the wheat from the chaff. We have to look at business subsidies, but with some care, and not with simply a sword that cuts off some assistance where it is necessary.

Where does the purpose of OPIC lie? What does it do? Mainly it insures. And what does it insure against? Expropriation, currency problems, political violence. You cannot go to the private sector and get that kind of insurance. Period. The purpose of OPIC is not basically to give money to corporations to go overseas to do research and development.

That is not its basic purpose. It was founded to provide insurance so that American companies could compete with companies of other countries and be insured against contingencies where they could not cover those problems themselves.

Now, let me just say a word about what other countries are doing. They are providing this kind of insurance. Our competitors do that. So if you eliminate OPIC, what you are simply saying to the companies of the United States who are trying to do some exporting, trying to operate overseas, not to take jobs away from this country, but to help to create them here, is that they will not have the same kind of facility as is available to companies from other countries.

Now, let me say a word about job loss. Look, let us not confuse the issue. OPIC specifically provides, the statute does, that no money can be given, no

insurance can be provided, where there would be a negative effect on U.S. jobs.

Our companies do operate overseas. When they do it appropriately, they create jobs here. Simply to say there will be no insurance available to them is going to result in job loss in the United States.

About 25 percent of the companies that now are insured by OPIC, as I understand it, are small businesses. So I do not think it is fair to simply take the big business label and simply to throw it around and say, "This is a way to get at big business."

Look, I do not like the downsizing, but the downsizing has nothing to do with OPIC. I do not like the downsizing when it comes to job loss. But OPIC's insurance activities have nothing to do with that downsizing. Indeed, what we need to do is to stimulate American companies to compete with their overseas competitors.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, it seems to me if we are going to provide subsidies and incentives to corporations who are laying off hundreds and hundreds, if not millions of workers, then at the very least, it would be appropriate to say stop laying off workers here in the United States. To simply give these people incentives to invest abroad and then turn a blind eye on their disastrous policies here in America is a real sell-out of American workers.

Mr. LEVIN. Mr. Chairman, reclaiming my time, let me say in response to my distinguished colleague from Vermont, if that is what the facts were, I would favor the Sanders amendment. The trouble is, those are not the facts. The facts are that the OPIC efforts have nothing to do with the downsizing in this country, and in fact, there is a provision that will not allow insurance.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

(By unanimous consent, Mr. LEVIN was allowed to proceed for 2 additional minutes.)

Mr. LEVIN. Mr. Chairman, there is a provision that if the insurance would cause job loss, it will not be provided.

Now, look, everybody knows that some activities of companies overseas generate jobs in the United States. That is simply a fact. When we, for example, insure an activity, a powerplant activity in another nation for a U.S. company, that can create jobs in the United States, because it is likely that the equipment used by that power company will come from the United States.

So I think what you have to use here when it comes to corporate welfare is some objectiveness, some understanding of the facts. You have to sometimes use a scalpel and not a meat ax here, and I think this is essentially a meat ax proposal.

Mr. Chairman, in conclusion, I think this is not a wise amendment. I think

we have to protect American jobs, safeguard them in this country. I think we have to be sure that our policies stimulate growth of jobs in this country, and that is what OPIC's mission is. And while it has made some mistakes, it has done more good than it has done harm. So get at the problem, do not take this sword and cut American business and American workers, at the knees in many cases.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I just want to take a second to say that the gentleman from Michigan [Mr. LEVIN] and the previous speaker made a number of comments that I disagree with, and they made some that I agree with.

My problem with the Sanders amendment is it goes too far too fast from the standpoint of what my and the amendment of the gentleman from Wisconsin [Mr. KLUG] has, which is to privatize the operation of this corporation. If we were to adopt the Sanders amendment, we would have great difficulty.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

(By unanimous consent, Mr. LEVIN was allowed to proceed for 2 additional minutes.)

Mr. LEVIN. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. KASICH. So what I would argue, Mr. Chairman, is that we should resist the Sanders amendment and then quickly pivot and adopt the Klug amendment, which the chairman of the subcommittee has agreement with. That would do several things. It would bring the appropriation more in line with the game plan spelled out within our budget resolution, and would prevent the transfer of funds from the insurance fund into the investment fund, all of which will serve in a short period of time to privatize the operation of OPIC.

We may have a debate down the road as to whether the gentleman from Michigan [Mr. LEVIN] will support that. I happen to believe it is not something that should continue to be directly supported by taxpayers, and can in fact be a viable entity in the private sector.

So I would urge opposition to the Sanders amendment, but then quick support in favor of the Klug amendment that will take this out of the hands of the Government, privatize it, and make it an efficient operation, not directly funded by the taxpayers of the country.

Mr. LEVIN. Mr. Chairman, reclaiming my time, let me just say quickly in response, if we can privatize a function effectively, let us do it. But you, I think, will have the burden of showing, the burden of proof, that this indeed can be done by the private sector, the insurance against political turmoil, currency problems, and also expropriation.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, my understanding is not only is OPIC not a drain on the taxpayers, it has a return to the taxpayers every year. Estimates are as much as \$2 billion has been brought to the Treasury since 1971.

So in effect what you are saying is we have two challenges on the floor to the Overseas Private Investment Corporation today. One says we are angry at business, so we want to hit anything that helps them. The problem with that approach is the layoffs will be greater if we do not have OPIC to help facilitate sales overseas.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

(By unanimous consent, Mr. LEVIN was allowed to proceed for 1 additional minute.)

Mr. LEVIN. Mr. Chairman, I continue to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the other challenge says the private sector can do it better. There is no demonstration of that anywhere that I have seen. I do not know where you replace the \$140 million, \$100 million a year that comes to the Treasury, and where you can get the kind of guarantee that the Federal Government brings in with its intelligence resources and other resources to make sure that American companies can stay competitive overseas.

Mr. LEVIN. Mr. Chairman, reclaiming my time, let me just say to the gentleman from Connecticut, I very much agree with that, and let me just close: Look, I think we need to get at subsidies that are unwise. I think we need to look after the taxpayers' needs. This is a shortsighted way to do it.

□ 1430

OPIC has been insuring activity that is creative of American jobs, not destructive. I urge defeat of this amendment.

Mr. HOKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment and will be speaking on behalf of the Klug amendment that the gentleman from Wisconsin [Mr. KLUG] and I are going to bring after this. But I want to correct one thing before I speak in opposition. That is, we hear repeatedly that OPIC has actually brought money to the Treasury over the past couple of decades that it has been in business. While in one sense there is some truth to that, I think that by saying that it is generating income is misleading. It really ought to be corrected.

What it has done is it has generated reserves against possible potential insurance claims, as any insurance company does. To say that that is income to the Treasury and has helped offset the deficit is essentially to mislead the

fundamental aspects of what insurance underwriting is all about.

If there are and when there are claims against that amount, it could be wiped out very, very quickly. It happens that OPIC has done a very good job which, frankly, is a very powerful argument in favor of privatization.

The reason that I am opposed to the Sanders amendment is because it truly does not offer an opportunity to privatize. It immediately shuts everything down in a way that will make it impossible to in a thoughtful and orderly and regular way actually get to a privatization.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, the gentleman from Ohio [Mr. HOKE] makes a very important point, and I hope the Members are listening. We have heard some Members say, this adds \$2 billion to the Treasury. It is used for deficit reduction, et cetera, et cetera. Wrong. It is an insurance fund.

If my memory is correct, we have some \$6.3 billion in liabilities out there. In point of fact, if we kill OPIC, then we would have \$2 billion to use for deficit reduction. Right now, as the gentleman from Ohio [Mr. HOKE] indicates, this is an insurance fund.

Mr. HOKE. Mr. Chairman, reclaiming my time, if we kill OPIC, I do not agree that we would have that money for deficit reduction because I do not think that we can simply abrogate the liabilities of the U.S. Government by writing them off in a new agreement. At least, even if we can do that by law, it is something that I do not think that this Congress is going to do because we have made commitments in that area.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I think the gentleman and I have got conflicting information that we both believe is true. But I believe that the OPIC has steadily contributed to, has returned money to the treasury in addition to maintaining its \$2.4 billion reserve. We need to clear that up.

Mr. HOKE. That is my understanding, Mr. Chairman.

Reclaiming my time, Mr. Chairman, and to finish up, I think that the reason that we do not want to go in this direction where we are going to shut it down is it will make it impossible to do what we need to do, which is essentially make it possible to privatize the whole operation. I think we can do that.

Clearly, the insurance end of it is making money. I think that the credit side of it is much more problematic, and it may not be able to be privatized. And frankly, it may not be worth going forward with. I am not sure that that is good use of taxpayer funds on the credit side.

I think most people do not understand that there are two different accounts. There is the credit account that guarantees the loans and then there is the insurance account that insures against losses due to politics or currency fluctuation, et cetera.

Mr. WILSON. Mr. Chairman, if the gentleman will continue to yield, I think you will find, and you probably do not disagree and it does not conflict with anything you said, but it is the insurance side that turns the big profit because there is no competition out there. They can charge whatever they think that the traffic will bear and that is the reason they are able to return money.

Mr. HOKE. Mr. Chairman, to sum up, I rise in opposition to the Sanders amendment.

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think it is interesting what we have confronted here. OPIC is under attack because it has been successful. It has done a good job, and it has helped exports. It has protected the American economy, protected American workers, and, yes, it has helped American business. They are all in the same boat. We are all in the same boat.

To the Sanders amendment, I have to say that without these tools, frankly, more of the people that we are concerned about, the workers, would be being laid off. So if you take away the guarantees and they cannot sell the products that we make to a lot of these markets, when they are unstable, we are not going to be in there when these countries stabilize. The Germans, the French, the Japanese will have locked up these markets, and we will be back on this floor in 5 or 6 years wringing our hands about a larger trade deficit and more layoffs and more downsizing.

It is without question against America's best interests to do damage to OPIC. This is the Overseas Private Investment Corporation. It is not the one that dealt with the oil monopolies. This one helps us. The other one hurt us. It helps workers, and we ought to protect those workers.

How does it help us? When American products are made and we are entering markets that are just developing, there are oftentimes a number of challenges: stability in the regime; stability in the currency. Corporations, large ones and small ones alike, may not be able to, first, assess the danger and, second, take all that risk in a product being moved into that country. The Government guarantee helps us access those markets.

As those markets mature and become stable, once we are the ones that have established the generating system, we are going to get the replacement parts. We are going to get the new orders more likely, when there is a mature and stable market.

This program has made money for the taxpayers, made money for the

treasury and made jobs for our country. It would be counterproductive, with all the anger that we share against people being unemployed, to hurt this program because it means more people would be unemployed.

I would hope we defeat this amendment. It is a bad amendment. It would hurt the workers of this country.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, we talk about job creation. Where is your information about how many jobs have been created?

Second of all, the gentleman from Wisconsin previously talked about exports. Nobody in this House believes more than I do that we have got to rebuild our manufacturing base, create decent-paying jobs and exports. That is not what we are talking about here.

In fact, what we are talking about here is helping the largest corporations in America who have thrown hundreds of thousands of American workers out on the street, set up factories abroad. The jobs that are going to be created are over 90 percent abroad.

Mr. GEJDENSON. Reclaiming my time, Mr. Chairman, I do not agree with those statistics. I would say that what we have seen across the board is that every billion dollars of exports means about 20,000 American jobs. And when you look at the OPIC guarantees, inevitably 70 and 80 percent of the product in those plants that make those plants operate are American-made products, in some cases as high as 90 percent.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, to answer the question how many jobs OPIC created, I can answer that for the gentleman: \$40 billion have been sold overseas because of OPIC. You had mentioned 20,000 jobs for every billion sold overseas, that means 800,000 jobs have been created because of OPIC. There is your answer.

The other point is, some people say that we are going to send some jobs overseas. Look who is on the board of directors of OPIC, the president of the International Association of Machinists and Aerospace Workers. Do you think he would be on the board sending jobs overseas?

Mr. GEJDENSON. Mr. Chairman, reclaiming my time, what the gentleman from Wisconsin has just listed is the head of the machinists union, as I understand it, is a member of the OPIC board and making these decisions. The gentlemen from Wisconsin and I joined together with language several years ago to make sure that there was virtually no chance that we would do a net harm to the United States.

Mr. LEVIN. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Michigan.

Mr. LEVIN. Let me say to the gentleman from Vermont, just take another look at this. We are now over in Geneva trying to force open the markets of Japan.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

(On request of Mr. LEVIN, and by unanimous consent, Mr. GEJDENSON was allowed to proceed for 2 additional minutes.)

Mr. LEVIN. Mr. Chairman, if the gentleman will continue to yield, we are trying to get the Japanese to open their markets for American cars and American parts. We are spending a lot of time and some resources doing that.

The beneficiaries, if you want to call it that, will be Ford, GM, Chrysler, they are big companies, Allied Signal, TRW, and a lot of other parts companies, which would be able to build parts here in the United States and ship them to Japan. It simply is incorrect to say because a company is large, as it would be, because a company is small, they should not do business overseas. And what OPIC does, basically, is to insure companies. And we do not need this as to Japan. We need it other places, against currency difficulties, against political violence, and turmoil and expropriation.

Mr. GEJDENSON. Reclaiming my time, Mr. Chairman, to continue on the gentleman's analogy, you would then have to argue that trying to open the markets in Japan are helping these big companies that downsize. That is not correct.

Mr. LEVIN. The opposite is true, Mr. Chairman, if the gentleman will continue to yield. We want to open up the Japanese market so that the downsizing in the auto industry will stop and they can continue to begin to hire more people.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, it seems to me that we are missing a fundamental point here. To talk about opening up Japan for American products is something that we all agree on. That means products are being manufactured in the United States, employing American workers and sold in Japan. That is what we want. That is not what OPIC is about. OPIC is giving the largest, most profitable corporations in America help in setting up factories abroad.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. GEJDENSON] has again expired.

(On request of Mr. LEVIN, and by unanimous consent, Mr. GEJDENSON was allowed to proceed for 1 additional minute.)

Mr. LEVIN. Mr. Chairman, if the gentleman will continue to yield, if that were the history of OPIC, I would be in favor of its destruction. It simply is not true.

Mr. GEJDENSON. Reclaiming my time, Mr. Chairman, I believe that it would be impossible to have the head of the machinists union on an organization that was moving jobs out of the country. The president of the machinists union is on this board particularly for that reason, to make sure that we protect American jobs.

Mr. SANDERS. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Vermont [Mr. SANDERS] is recognized for 5 minutes.

There was no objection.

Mr. SANDERS. Mr. Chairman, the issue here is whether or not multibillion-dollar corporations, Mars Candy comes to mind, why Mars Candy? Because that family, the Mars family, is one of the very wealthiest families in America. Why do these people need subsidies and incentives to start factories and plants in other countries?

Some of my friends here have said, this is a job creator. The way you create jobs is to build plants and factories in the United States, manufacture and sell them abroad.

Some people say, well, it really does not matter, that we are encouraging companies to start factories abroad.

I respectfully disagree. A company looks at the bottom line and it says, I have got \$1 billion here. Do I build in Detroit, MI or in Burlington, VT? Or do I go to Russia? And then they say, is it not nice, I cannot get Government subsidies to build in Detroit or Burlington, VT but I can get help to go to Russia or to Latin America?

□ 1445

Mr. Chairman, I have heard a whole lot about the beauties of the market system and the free enterprise system. If it is such a good system, then why do the largest corporations in this country need taxpayer subsidies in order for them to go out and make money? Right now one of the scandals facing this country, in my view, is that American corporations, while they are laying off hundreds of thousands of workers a year here, are investing \$750 billion a year abroad. They do not need to help abroad. They are doing it just fine. Ask the workers in the UAW who have lot their jobs when companies, automobile companies, are set up in Mexico.

Mr. Chairman, if these programs are so good, let the private sector undertake the insurance. Let the multinationals go to private banks to get below-market financing. This Congress has voted to cut back on Medicare, student loans, veterans programs. We should not be providing subsidies and incentives to the largest corporations in America.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, the gentleman has said several times, and I do

not know why he has said it, but he has said several times that OPIC gives subsidies loans and is subsidizing American corporations. Is the gentleman aware that OPIC only makes loans at market rates?

Mr. SANDERS. Mr. Chairman, if OPIC makes loans at market rates, why do not companies go to the private market and get those loans?

Mr. WILSON. They do not go to the private market to get the loans, Mr. Chairman, because the loans do not bear the same significance as loans guaranteed by the Government of the United States, because it is impossible to get private financing against political instability.

Mr. SANDERS. Mr. Chairman, I should think that in a free market society, there would be some insurance companies that would love to be charging a high premium.

Reclaiming my time, Mr. Chairman, over and over again what I am hearing from my Republican friends is, Get the Government out of this, get the Government out of that. The private sector does such a great job.

I am hard pressed to believe that a large insurance company could not provide insurance for some of these companies to invest in Russia and make some money. If it is such a good deal, let the private sector do it, and not the taxpayers of America.

Mr. CHRISTENSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman's characterization of OPIC is not correct. Also, this is a bipartisan support. The committee on both sides, Republicans and Democrats, supported this bill.

The Overseas Private Investment Corporation, or more commonly known as OPIC, is a good thing for the country and a good thing for the American people. Mr. Chairman, I support downsizing Government more than anyone. However, abolishing OPIC will not further either of these goals.

OPIC is not some big Government subsidy program, as some have charged. It provides loans and political risk insurance, as we just heard, to American companies doing business abroad. It does not do this for free. As Members heard, it charges market rates.

Let me tell the Members about a company that I know of personally that has worked with OPIC. It recently got charged 11.9 percent for a financing rate, 11.9 percent to construct a powerplant in the Philippines. If it was not for OPIC, that company would have purchased 500 million dollars' worth of goods in the Japanese market.

Like most every other Federal agency, OPIC actually takes in more than it spends. As we have heard this year, this past year, it made over \$167 million. At the end of each year it writes a check back to the Federal Government. Since 1971, it has contributed back \$2 billion to the Federal Government. OPIC is a successful entity be-

cause it negotiates on a government-to-government basis. Its services are simply not available in the private sector. OPIC does not cost the taxpayers anything. It actually makes money for the Government, so its elimination would actually increase the deficit, not reduce it.

Mr. Chairman, in my opinion, OPIC is a model example of how a Federal agency should run. I oppose the Sanders amendment. Mr. Chairman, I ask for support for the committee's position.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. CHRISTENSEN. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, the gentleman is absolutely right. The gentleman from Vermont is looking at the Mars Candy Bar Co. I do not know what he is talking about. Why does he not look at some of the positive aspects of what OPIC is doing. Look at some of the generation plants that they are building. Large American companies, true. However, look at the fact that they are building power plants, that they are building infrastructure in countries that they would not be able to be in without the guarantee of OPIC. Who would be there? The Japanese would be there.

Do Members guess the Japanese would insist we buy General Electric generators? No, they would buy their generators from Japan. Do we guess then that people who bought the Japanese generator might need American parts to repair them? No. They would go to Japan.

Let me tell the gentleman, he is absolutely right. This is a way we can compete. The example of the Mars Candy Bar Co. to me makes no logic whatsoever, because the gentleman is talking about a small tip of the dog's tail, when he should be talking about the fact that this is the only vehicle that American business people have to compete internationally with the other G-7 nations, so the gentleman is absolutely right, we should reject the gentleman's amendment.

Mr. CHRISTENSEN. I thank the chairman for his leadership on this issue. Reclaiming my time, that is exactly the point. That is exactly what has happened with the people that I know of who have worked with OPIC in the past.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been listening to the debate on this amendment, and am very concerned about the fact that what I hear is that this is a program that really benefits all of us here in America, but it is really to the benefit of the major corporations of America. Again, it is like the old trickle-down: We are going to be benefited when somebody builds a power plant somewhere else and uses American goods.

That is true, we all benefit when those jobs are created. However, what

if the people that bought that power plant do not pay for it? Then the taxpayers have to pay for it.

Mr. LEVIN. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Michigan.

Mr. LEVIN. Mr. Chairman, the insurance is not an insurance against the loss of an investment because it was unprofitable.

Mr. VOLKMER. I did not say unprofitable.

Mr. LEVIN. It is insurance against expropriation, against political turmoil, like a revolution, or because of currency problems, so no one could bring back their money to the United States. It is not an insurance to guarantee a profit.

Mr. VOLKMER. I did not say it was guaranteeing a profit. Mr. Chairman, I am saying basically it is a guarantee that we are going to receive our return for the investments.

Mr. LEVIN. Mr. Chairman, if the gentleman will continue to yield, it is not.

Mr. VOLKMER. In a way, it is.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, I want to agree with the gentleman, that OPIC does in fact do loan guarantees, not just insurance. It gives loan guarantees. It says if the enterprise located in a foreign country does not pay its loan back, the American taxpayer does.

The other point in the gentleman's statement, I am sure in Missouri there are a number of communities that would like to build power plants, sewer plants, and factories, as well.

Mr. VOLKMER. Reclaiming my time, Mr. Chairman, I have all kinds of cities that would like to build an industrial tract in order to entice industry to come in, and does the gentleman know how much help those Missouri communities would get from OPIC?

They would not get any.

Mr. ANDREWS. Nothing, because it is not part of OPIC's charter.

Mr. VOLKMER. Mr. Chairman, it is basically to create jobs here, but basically the work goes elsewhere. What really bothers me, Mr. Chairman, is when I see the types of companies, many of which are huge conglomerates, worldwide companies, that have billions of dollars, and yet we have to guarantee a loan for them.

DuPont? I have to guarantee a loan for DuPont? Come on, Mr. Chairman. Why would I have to guarantee a loan for DuPont? Why do I have to guarantee a loan for CitiBank? I think they have enough of their own money. They have whole bunches of money. Why would I have to guarantee a loan for CitiBank? That is what this does.

This is what I call, if we talk about corporate welfare, and what really interests me is listening to the gentleman from Nebraska speaking in the well before me. If I remember, he is the same one who says we have to save a

little money and do away with elevator operators, we have to do away with elevator operators, but we can keep this corporate welfare around. Who benefits from it?

Mr. Chairman, I want to let the people out there know that DuPont got a \$200 million loan guarantee, and that CitiBank got a \$113 million loan guarantee. How about a little Coca-Cola? Little bitty old Coca-Cola, a little bitty company, they do not have any money at all. They got a loan guarantee of \$165 million.

What is going on in this world? We are cutting back, we are going to cut back on the increase that people need out there for food stamps, for school lunches, for Medicare, for Medicaid, but we cannot cut back on all of these loan guarantees for these huge major corporations. We cannot do that, Mr. Chairman. There is something wrong, I think, with this Congress, with our priorities.

I think it is time that we tell corporate America that they are no better off than individual citizens of this country, and just because they have a whole bunch of money to lobby down here and pay off people and get good benefits for their type of activity, it is time we told them no. I think it is time that we told corporate America that they, too, can survive under the Republican budget, and they do not need this kind of welfare.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 90, noes 329, not voting 15, as follows:

[Roll No. 421]

AYES—90

Abercrombie	Hancock	Rohrabacher
Allard	Hinchey	Royce
Andrews	Hoekstra	Rush
Barcia	Holden	Salmon
Barrett (WI)	Hostettler	Sanders
Becerra	Kanjorski	Sanford
Beilenson	Kaptur	Scarborough
Bonior	Kennedy (RI)	Seastrand
Brown (CA)	Kingston	Sensenbrenner
Canady	Lewis (GA)	Serrano
Chabot	Lipinski	Shadegg
Chenoweth	LoBiondo	Shays
Chrysler	Luther	Smith (MI)
Coble	Martinez	Souder
Condit	McHale	Spence
Conyers	McInnis	Stark
Costello	McKinney	Stearns
Crane	McNulty	Stump
Crapo	Meehan	Stupak
DeFazio	Mica	Taylor (MS)
Dellums	Miller (CA)	Taylor (NC)
Duncan	Minge	Towns
Ensign	Mink	Trafigant
Evans	Montgomery	Tucker
Fattah	Nadler	Velazquez
Fields (LA)	Neumann	Volkmer
Fox	Owens	Wamp
Franks (NJ)	Pallone	Watt (NC)
Funderburk	Parker	Woolsey
Greenwood	Poshard	Zimmer

Ackerman	Filner	Martini
Archer	Flake	Mascara
Armey	Flanagan	Matsui
Bachus	Foglietta	McCarthy
Baesler	Foley	McCollum
Baker (CA)	Forbes	McCrery
Baker (LA)	Fowler	McDade
Baldacci	Frank (MA)	McDermott
Ballenger	Franks (CT)	McHugh
Barr	Frelinghuysen	McIntosh
Barrett (NE)	Frisa	McKeon
Bartlett	Frost	Meek
Barton	Gallegly	Menendez
Bass	Ganske	Metcalf
Bateman	Gejdenson	Meyers
Bentsen	Gekas	Miller (FL)
Bereuter	Gephardt	Mineta
Berman	Geren	Molinari
Bevill	Gibbons	Mollohan
Bilbray	Gilchrest	Moorhead
Billrakis	Gillmor	Moran
Bishop	Gilman	Morella
Bliley	Gonzalez	Murtha
Blute	Goodlatte	Myers
Boehlert	Goodling	Myrick
Boehner	Gordon	Neal
Bonilla	Goss	Nethercutt
Bono	Graham	Ney
Borski	Green	Norwood
Boucher	Gutknecht	Nussle
Brewster	Hall (OH)	Oberstar
Browder	Hall (TX)	Obey
Brown (FL)	Hamilton	Olver
Brown (OH)	Hansen	Ortiz
Brownback	Harman	Orton
Bryant (TN)	Hastert	Oxley
Bryant (TX)	Hastings (FL)	Packard
Bunn	Hastings (WA)	Pastor
Bunning	Hayes	Paxon
Burr	Hayworth	Payne (NJ)
Burton	Hefley	Pelosi
Buyer	Hefner	Peterson (FL)
Callahan	Heineman	Peterson (MN)
Calvert	Herger	Petri
Cardin	Hilleary	Pickett
Castle	Hobson	Pombo
Chambliss	Hoke	Pomeroy
Chapman	Horn	Porter
Christensen	Houghton	Portman
Clay	Hoyer	Pryce
Clayton	Hunter	Quillen
Clement	Hutchinson	Quinn
Clinger	Hyde	Radanovich
Clyburn	Inglis	Rahall
Coburn	Istook	Ramstad
Coleman	Jackson-Lee	Rangel
Collins (GA)	Jacobs	Reed
Collins (IL)	Johnson (CT)	Regula
Combest	Johnson (SD)	Richardson
Cooley	Johnson, E. B.	Riggs
Cox	Johnson, Sam	Rivers
Coyne	Johnston	Roberts
Cramer	Jones	Roemer
Creameans	Kasich	Rogers
Cubin	Kelly	Ros-Lehtinen
Cunningham	Kennedy (MA)	Rose
Danner	Kennedy	Roth
Davis	Kildee	Roukema
de la Garza	Kim	Roybal-Allard
Deal	King	Sabo
DeLauro	Kleccka	Sawyer
DeLay	Klink	Saxton
Deutsch	Klug	Schaefer
Diaz-Balart	Knollenberg	Schiff
Dickey	Kolbe	Schroeder
Dicks	LaFalce	Schumer
Dingell	LaHood	Scott
Dixon	Largent	Shaw
Doggett	Latham	Shuster
Dooley	LaTourette	Sisisky
Doolittle	Laughlin	Skaggs
Dornan	Lazio	Skeen
Doyle	Leach	Skelton
Dreier	Levin	Slaughter
Dunn	Lewis (CA)	Smith (NJ)
Durbin	Lewis (KY)	Smith (TX)
Edwards	Lightfoot	Smith (WA)
Ehlers	Lincoln	Solomon
Ehrlich	Linder	Spratt
Emerson	Livingston	Stenholm
Engel	Lofgren	Stockman
English	Longley	Stokes
Eshoo	Lowey	Studds
Everett	Lucas	Talent
Ewing	Maloney	Tanner
Fawell	Manton	Tate
Fazio	Manzullo	Tauzin
Fields (TX)	Markey	Tejeda

Thomas	Waldholtz	Wicker
Thompson	Walker	Williams
Thornberry	Walsh	Wilson
Thornton	Ward	Wise
Thurman	Waters	Wolf
Tiahrt	Watts (OK)	Wyden
Torkildsen	Waxman	Wynn
Torres	Weldon (FL)	Yates
Upton	Weldon (PA)	Young (AK)
Vento	Weller	Young (FL)
Visclosky	White	Zeliff
Vucanovich	Whitfield	

NOT VOTING—15

Camp	Gunderson	Mfume
Collins (MI)	Gutierrez	Moakley
Farr	Hilliard	Payne (VA)
Ford	Jefferson	Reynolds
Furse	Lantos	Torricelli

□ 1515

Messrs. PICKETT, PAXON, and MANZULLO, Ms. MOLINARI, and Ms. ROS-LEHTINEN changed their vote from "aye" to "no."

Messrs. HANCOCK, MCHALE, HINCHEY, and TUCKER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KLUG

Mr. KLUG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLUG: Page 5, line 9, strike "\$79,000,000" and insert "\$60,629,334".

Page 5, beginning on line 10 strike "", to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account".

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, close in 15 minutes and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. DOGGETT. Mr. Chairman, I object; there has been so much misinformation on this whole subject. And I fully and fairly object.

The CHAIRMAN. Objection is heard.

The gentleman from Wisconsin [Mr. KLUG] is recognized for 5 minutes.

Mr. KLUG. Mr. Chairman, as you know, we have just had a long debate about the proper role of OPIC in terms of helping to fund overseas investments and we had a choice in front of us several minutes ago. The amendment of the gentleman from Vermont [Mr. SANDERS] to essentially zero out OPIC funding immediately. But I think the suggestion of a number of my colleagues, including the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget, is that we have a second alternative which is to take one of the facets of OPIC, privatize it, and sell it off, returning more money to the Federal Government.

The OPIC is divided into two funds. First of all, the credit program and second, an insurance program. One of the key components in OPIC is an insurance fund and what is does is insure

against losses of U.S. companies who invest overseas in politically risky environments.

We have to ask ourselves why it is that the Federal Government in this day and age is in the business of essentially offering public insurance against private risk?

And OPIC has grown dramatically over the last several years where now U.S. taxpayers face a potential liability of nearly \$800 million and is not going to be terribly far off before we have a liability approaching a billion dollars?

Mr. Chairman, I have absolutely no objections whatsoever to keeping OPIC in place to help do low-interest loans which do return more money to the Treasury than they actually cost. It is an operation that stands in and of itself.

But there is absolutely no reason for the Federal Government to be involved in essentially guaranteeing high-risk political decisions by U.S. corporations.

My colleagues can look around and see all the other kinds of components of high-risk ventures one can do. A high-risk auto insurance driver can only go to the private sector to get insurance. If you play in a charity golf tournament where a car is offered on a hole, insurance is available to guarantee that the auto company does not have to pay the cost. Insurance is available to protect the charity sponsor.

Why is it that the Federal Government is involved in guaranteeing foreign investments if they decide to put U.S. operations or to sell U.S. products in a very risky political environment?

One of the great ironies I think is the fact that for example Ameritech received \$200 million in political risk insurance to provide Hungary's long-distance telecommunications system. Yet we have a fight over whether OPIC should be privatized, but we will loan money to help U.S. companies to compete overseas.

We loaned Marriott \$9 million for the privatization of hotels in Budapest. Clearly, what we need to do is have a transition window where OPIC is allowed to continue its job of offering loans which cannot be obtained in the private sector to help U.S. companies invest overseas.

But it is time, clearly, to spin off the privatization of OPIC's insurance function and actually return dollars to the U.S. Treasury and to eliminate what is close to a billion dollar risk for U.S. taxpayers.

That, I should say, was the intention of the House Committee on the Budget which recommended privatizing and phasing out OPIC over the next 3 years. It was also language in the original authorization bill, but we have discovered that the appropriations bill wanted to fund OPIC's operations by bleeding money out of its reserve accounts. And if money is taken out of those reserve accounts and OPIC's key asset is essen-

tially depleted, guess what? We suddenly cannot privatize it.

Our amendment will reduce the funding levels from \$79 million down to \$60 million, consistent with the Committee on the Budget's recommendation and, second, rope off the reserve funds now approaching \$2 billion to guarantee in the future that those funds will be available so that when we follow through on the authorizing committee's language moving toward privatization, an authority now granted to the President to begin privatizing some of OPIC's functions, that that \$2 billion in insurance funds, the most valuable component in OPIC's treasury, the most valuable asset in its portfolio, will be available as an attractive component in a move by the U.S. Government to privatize OPIC's insurance function.

Mr. LUTHER. Mr. Chairman, I offer my support for the Klug-Hoke amendment to H.R. 1868, allowing for the privatization of the Overseas Private Investment Corporation [OPIC].

Mr. Chairman, I believe we should provide appropriate assistance to promote and encourage U.S. exports. Exports increase American jobs at home and help encourage developing countries to move toward free-market economies.

However, I question whether we can afford to spend taxpayer dollars to provide below-market subsidies to major multinational corporations while we try to tackle an incredible Federal deficit and national debt.

With the dual goals of balancing the Federal budget while maintaining our strong presence and assistance in the developing world, the Klug-Hoke amendment makes common sense. It enables OPIC to become self-supporting within 3 years. It provides for export promotion as well as fiscal responsibility. I therefore encourage my colleagues to support this amendment.

AMENDMENT OFFERED BY MR. CALLAHAN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. KLUG

Mr. CALLAHAN. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. CALLAHAN as a substitute for the amendment offered by Mr. KLUG: Page 5, line 9, strike "\$79,000,000" and insert "\$69,500,000".

Page 5, beginning on line 10, strike "", to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account".

Mr. CALLAHAN. Mr. Chairman, first of all I appreciate the articulate manner in which the gentleman from Wisconsin [Mr. KLUG] has addressed the problem he is concerned about. And I certainly share some of the concerns the gentleman has, and he is to be commended for coming before this body with a solution that we can live with.

The gentleman from Wisconsin [Mr. KLUG] and I have come to an agreement on this matter. We are both interested in moving the appropriate functions of the Overseas Private Investment Corporation to the private

sector. The resulting subsidy appropriation for OPIC will enable the organization to support American investment abroad in a robust manner.

The increase above the current subsidy appropriation is substantial and indicates the support of this House for OPIC's mission. But OPIC should recognize that this reduction from its request indicates that many Members of this House, led by the gentleman from Wisconsin [Mr. KLUG], expect OPIC to take seriously the proposals for it to move many or most of its functions into the private sector.

Mr. Chairman, I expect OPIC to closely consult with the committee as it prepares the report that we have requested on page 10 of the committee report, and to expand the scope of the report to include all OPIC activities and to provide the report in a timely manner.

Mr. KLUG. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Wisconsin.

Mr. KLUG. Mr. Chairman, I would like to tell my colleague from Alabama, Mr. CALLAHAN that I am in agreement with his amendment and with the reduction which I think is appropriate. And I want to commend the gentleman for keeping an open mind on the subject and I would hope in the future I could count on the gentleman's support to move OPIC toward privatization.

Mr. CALLAHAN. The gentleman certainly can.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, what is the final figure that the two gentlemen have arrived at there?

Mr. CALLAHAN. Mr. KLUG's amendment was to strike \$79 million and insert \$60 million. My amendment brings it up back up to \$69 million. It is a compromise.

Mr. WILSON. Mr. Chairman, I would like to ask the gentleman from Wisconsin [Mr. KLUG] a question.

I do not quite understand the effect of the gentleman's transfer language. Can he explain that to me?

Mr. KLUG. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Wisconsin.

Mr. KLUG. Certainly, OPIC has two accounts. The one account, obviously, involves the credit program, which provides investment financing through direct and guaranteed loans.

But then OPIC also has the reserve account which is essentially a reserve guaranteeing the insurance component of OPIC. If you begin to take that money out of the insurance fund to essentially cover operating costs, you have now begun to bleed down the insurance reserves, which essentially makes it much more difficult next year for those of us who want to privatize OPIC to indeed privatize it.

Mr. WILSON. Has that ever been done before?

Mr. KLUG. To the best of my knowledge, no.

Mr. WILSON. Mr. Chairman, I would like to have a little dialog here so we all know what we are talking about. We get varying numbers as to what that reserve account is, but it is somewhere between \$2 billion and \$2.5 billion. Is that the gentleman's understanding?

Mr. KLUG. In terms of the liability?

Mr. WILSON. In terms of the amount that is returned to the Treasury as well as its liability.

Mr. KLUG. Right, the money returned to the Treasury, I think the gentleman is accurate. But my concern is the fact that the taxpayers have an exposure of well over \$800 million.

Mr. WILSON. Yes, but this is something that the gentleman may not know that I think he will be interested in, and that is we have done a lot of study in the committee as to their credit procedures and arriving at the creditworthy projects and over 24 years, they have only had to pay claims of \$20 million. That is a pretty remarkable record, is it not, for the amount of loans they have made?

Mr. KLUG. It is, but as the gentleman knows, past performance is no guarantee of future performance, as they will tell you in any investment instrument.

Mr. WILSON. We could talk about what Harry Truman said about those who read history, too.

Mr. ANDREWS. Mr. Chairman, I move to strike the last word. I will yield to the gentleman from Alabama [Mr. CALLAHAN], the subcommittee chairman, to answer my questions.

My understanding is in the present fiscal year the level of appropriation for OPIC is \$33 million in the program account; is that correct?

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Alabama.

Mr. CALLAHAN. The gentleman is correct.

Mr. ANDREWS. It is further my understanding that the underlying bill that the chairman has brought to the floor increases that to \$79 million for fiscal 1996; is that correct? In the program account?

Mr. CALLAHAN. The gentleman is correct, 69.5.

□ 1530

Mr. KLUG's amendment would have reduced that from 79 down to 60, and the effect of your amendment is to bring it back up to \$69 million? Is that correct?

Mr. CALLAHAN. If the gentleman will yield, that is correct.

Mr. ANDREWS. I object to and oppose this amendment for the following reason: I think that the authorizing bill that we passed here 2 weeks ago was correct in moving us toward privatization of OPIC. I wish we had done

it much sooner and much more aggressively.

I do not think it makes any sense, when we are moving toward privatization of a Government agency, to increase taxpayer liability, which is precisely what we are doing here. The impact of moving OPIC's program appropriation from 33 up to 69 is to increase the amount of exposure that the taxpayers can be exposed to by OPIC over the next fiscal year. That makes no sense to me, if we are going to, in fact, take a deliberate, thoughtful look at privatization, which I support, it makes no sense whatsoever to me, to be increasing the level of public risk at the same time we are doing that, for two reasons: First is the taxpayers ought not to be subjected to more risk, and second, it seems to me the more debt that you load up, the more difficult it is to sell. It makes it a more difficult object for privatization. For that reason, I would oppose respectfully the subcommittee's amendment.

Mr. KLUG. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Wisconsin.

Mr. KLUG. During the authorization process there were a number of us who wanted to move this privatization process forward much more quickly. We were not successful in bringing that fight to the floor.

Clearly, what we are doing today is guaranteeing the Committee on Appropriations does not take us three steps backward. That is the importance of today's amendment, is to say if we are going to preserve that option next year, that is the only option in front of us today, given our ability to legislate on appropriations bills, then I think this is the best way to guarantee we will move toward privatization.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Ohio.

Mr. KASICH. Let me say to the gentleman from New Jersey that I share his concern on this, and let me say that there is no agreement that ever gets worked out that represents 100 percent. I mean, I wish it did, because I spent my whole life being frustrated because I cannot get everything I want, but you cannot in the real world.

The gentleman from Alabama [Mr. CALLAHAN] has stopped the transfer of money from this reserve account. Why do we not want to transfer it? Because it is the most valuable resource that OPIC has so that when, in fact, we move to privatize, that those funds are in place and it makes an attractive private sector investment.

Now, the fact that the chairman has moved, I mean, basically we kind of split the difference. I mean, that is really what we did in an effort to make sure that we get this done, that we do not raid the reserve fund, that we do not increase it like the appropriators were saying, and that next year, I will say to the gentleman from New Jersey,



we will have that reauthorization of this program, and we are going to have a pretty big fight on this floor.

I think what we have been able to do in stopping the transfer of these funds is to dramatically increase the chance we are going to privatize it.

The gentleman from New York [Mr. GILMAN] supports privatization. I am told the chairman supports privatization. The amendment offered by the gentleman from Wisconsin [Mr. KLUG] calls for privatization. I strongly believe in privatization. I suspect the gentleman from Texas and all of us will have a fight next year on privatization. I think we will win that fight.

What this amendment does is to guarantee us and sets us up for the privatization of OPIC and moves us closer to what our goals were within the budget and stops the transfer of those funds.

So I think this is a great victory for those people who want to make a big dent in corporate welfare.

Mr. ANDREWS. Reclaiming my time, I am going to support the amendment offered by the gentleman from Wisconsin [Mr. KLUG] even if amended in this way. I agree with what the chairman just said.

I would ask the chairman and the Republican leadership to consider actively inclusion of this issue in the reconciliation bill that is forthcoming. I see no reason why we have to wait until next year to resolve the underlying debate. That is obviously your call. I would respectfully request you consider dealing with this in the reconciliation bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. CALLAHAN] as a substitute for the amendment offered by the gentleman from Wisconsin [Mr. KLUG].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG], as amended.

The amendment, as amended, was agreed to.

Mr. WOLF. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I filed an amendment for consideration which would have provided \$30 million for law enforcement training and judicial improvement efforts in Russia, the new independent states of the former Soviet Union, Central and Eastern Europe and the Baltic States. I will not offer the amendment today; however, I would like to raise this issue in the House and obtain an assurance from Chairman CALLAHAN that this training is a priority that will be addressed in conference.

Last year Congress set aside \$30 million which enabled the FBI, DEA, U.S. Customs, and other U.S. law enforcement agencies to start new and innovative training programs to help profes-

sionalize the police in the region, and allowed on-going efforts to improve and strengthen prosecutorial and judicial agencies. Furthermore, the House Committee on International Relations has recognized the critical need and importance of this funding. In its report on the "American Overseas Interests Act of 1995," which passed this House on June 8, the Committee urged that up to \$30 million be allocated in each of FY96 and FY97 to support rule of law, law enforcement, and criminal justice assistance activities in the NIS, and East European and Baltic States. I agree that this is sound policy.

The goal of funding programs to assist the struggling democracies of the NIS and Eastern Europe will fail if criminal elements take over those countries. Moreover, organized crime that flourishes in Russia is spilling over into the United States. The problem is so prevalent that the FBI established a Russian Organized Crime Squad in May 1994. Earlier this year the FBI arrested in New York allegedly one of the most powerful Russian crime leaders along with five of his associates on federal charges of conspiracy to commit extortion.

According to the FBI, Russian organized crime groups use businesses in the NIS, Western and Central Europe, and the United States to serve as fronts for laundering the proceeds of illegal activities and for conducting highly profitable commerce in goods in the Commonwealth of Independent States. This commerce, rife with corruption, thrives on such illegal practices as extortion, kickbacks, bribery of public officials, and violence.

Last year Congress began to address the serious organized crime threat in the region and we should do so again this year. I would appreciate knowing whether the chairman of the Foreign Operations appropriations subcommittee will work with me to provide the necessary funding for this critical purpose.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I appreciate the gentleman yielding to me, and I also appreciate your bringing this important issue to the attention of the House. I share your concerns about the detrimental impact organized crime is having on the Newly Independent States, Eastern Europe, and the Baltic states, as well as the United States. I look forward to working with you, the members of the subcommittee, and our Senate counterparts in adequately funding cooperative programs for establishment of the rule of law, law enforcement, and criminal justice assistance to help foster the growth of democracy.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am pleased to join my colleague, the gentleman from Virginia [Mr. WOLF], in support of this

very important effort to insure that adequate monies are available for U.S. police training and exchanges for Eastern Europe and the Baltic States.

Today organized crime and criminal elements in the region threaten the very reform and democracy most of our U.S. assistance and other U.S. government efforts are intended to help foster.

I was very pleased to have led the way initially in asking for and getting the FBI, DEA, U.S. Customs, and other U.S. law enforcement entities, monies in FY 1995 to carry on these critical police training programs in both the former Soviet Union and the NIS. These programs are intended to professionalize and made the local police better able to cope with this serious problem of crime, especially organized crime.

Since the initial \$30 million was made available in FY 1995 for these police training programs, the FBI, DEA, U.S. Customs and others have trained more than 1,000 police officers in the former Soviet Union and the NIS. We are making progress and must continue these valuable efforts that benefits us, as well as these new nations in the region. I am pleased to join in this effort to keep these programs fully supported.

Finally, let me set the record straight. This isn't just another foreign aid program for police officers overseas. What is also at stake here is efforts by our FBI and other U.S. law enforcement agencies to get a handle on Russian organized crime here at home. Major crime elements that are fast spreading to the U.S., witness the arrest most recently in NYC of a major Russian organized crime figure still closely linked to his homeland.

These overseas police training programs give the FBI and other U.S. law enforcement known and reliable U.S. trained police counterparts in the region. These officers can in turn later work cooperatively with us to help solve the problem of transnational organized crime operating and threatening both our as well as their internal security and safety.

I compliment the efforts of my colleague, the gentleman from Virginia, [Mr. WOLF], and also urge that this matter receive the highest priority in conference as discussed here today.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1996, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of part I and chapter 4 of part II

of the Foreign Assistance Act of 1961, for child survival, assistance to combat tropical and other diseases, and related assistance activities, \$484,000,000, to remain available until September 30, 1997: *Provided*, That this amount shall be made available for such activities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, polio, malaria and other diseases, and (7) a contribution on a grant basis to the United Nations Children's Fund (UNICEF): *Provided further*, That funds appropriated under this heading shall be made available notwithstanding any other provision of law, and shall be in addition to amounts otherwise available for such purposes.

DEVELOPMENT ASSISTANCE FUND  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961, \$669,000,000, to remain available until September 30, 1997: *Provided*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading and under the heading "Development Fund for Africa", not to exceed a total of \$15,500,000 may be transferred to "Debt restructuring", and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading and under the heading "Development Fund for Africa", not to exceed a total of \$15,000,000 may be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations.

DEVELOPMENT FUND FOR AFRICA

For necessary expenses to carry out the provisions of chapter 10 of part I of the For-

eign Assistance Act of 1961, \$528,000,000, to remain available until September 30, 1997: *Provided*, That none of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire: *Provided further*, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Community shall be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$200,000,000 to remain available until expended.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, \$7,000,000, to remain available until expended.

MICRO AND SMALL ENTERPRISE DEVELOPMENT  
PROGRAM ACCOUNT

For the subsidy cost of direct loans and loan guarantees, \$1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses to carry out programs under this heading, \$500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development.

HOUSING GUARANTY PROGRAM ACCOUNT

For administrative expenses to carry out guaranteed loan programs, \$7,000,000, all of which may be transferred to and merged with the appropriation for Operating Ex-

penses of the Agency for International Development.

PAYMENT TO THE FOREIGN SERVICE  
RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$43,914,000.

OPERATING EXPENSES OF THE AGENCY FOR  
INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, \$465,750,000: *Provided*, That of this amount not more than \$1,475,000 may be made available to pay for printing costs: *Provided further*, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of \$25,000 without the approval of the Administrator of that Agency or the Administrator's designee.

In addition, for necessary expenses to carry out the provisions of section 667 related to the termination or phasing down of programs, activities, and operations of the Agency for International Development under chapters 1, 10, and 11 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and for related purposes, \$29,925,000, to remain available until September 30, 1997: *Provided*, That such funds are available in addition to amounts otherwise available for such purposes: *Provided further*, That, prior to the obligation of any funds appropriated in this paragraph, the Administrator of the Agency for International Development shall report to the Committees on Appropriations on the proposed use of such funds: *Provided further*, That by September 30, 1997, the use of such funds should result in the reduction of 500 full-time equivalent direct-hire employees from the onboard level existing on April 30, 1995: *Provided further*, That the authority of sections 109 and 610 may be used for the purpose of making funds available to fulfill the requirements of section 667.

OPERATING EXPENSES OF THE AGENCY FOR  
INTERNATIONAL DEVELOPMENT OFFICE OF IN-  
SPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, \$35,200,000, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,326,700,000, to remain available until September 30, 1997: *Provided*, That any funds appropriated under this heading that are made available for Israel shall be made available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That none of the funds appropriated under this heading shall be made available for Zaire.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of part I of the Foreign Assistance Act of 1961, up to \$19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 1997.

ASSISTANCE FOR EASTERN EUROPE AND THE  
BALTIC STATES

For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, \$324,000,000, to remain available until September 30, 1997, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States.

Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

ASSISTANCE FOR THE NEW INDEPENDENT  
STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, and for other purposes, \$595,000,000, to remain available until September 30, 1997: *Provided*, That the provisions of 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

(b) None of the funds appropriated under this heading shall be transferred to the Government of Russia—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, negotiating repayment of commercial debt, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in Principle Six of the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States: *Provided further*, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability.

(f) Funds appropriated under this heading shall be subject to the regular notification

procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.

(i) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations previously functioning in the new independent states.

(j) The ratio of private sector investment (including volunteer contributions in cash or time) to United States government assistance in projects referred to in subsection (i) shall be no less than a ratio of 1.5 to 1.

## INDEPENDENT AGENCIES

## AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, \$10,000,000.

## INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, \$20,000,000.

## PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$210,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions.

## DEPARTMENT OF STATE

## INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, \$113,000,000: *Provided*, That during fiscal year 1996, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations.

## MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; salaries and expenses of personnel assigned to the bureau charged with carrying out the Migration and Refugee Assistance Act; allowances as authorized by

sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$671,000,000, of which not to exceed \$12,000,000 shall be available for administrative expenses.

## REFUGEE RESETTLEMENT ASSISTANCE

For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, \$5,000,000.

UNITED STATES EMERGENCY REFUGEE AND  
MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), \$50,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

## ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, \$17,000,000.

## NONPROLIFERATION AND DISARMAMENT FUND

For necessary expenses for a "Non-proliferation and Disarmament Fund", \$20,000,000, to remain available until expended, to promote bilateral and multilateral activities: *Provided*, That such funds may be used pursuant to the authorities contained in section 504 of the FREEDOM Support Act: *Provided further*, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That funds appropriated under this heading may be made available notwithstanding any other provision of law: *Provided further*, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

## AMENDMENT OFFERED BY MR. BROWBACK

Mr. BROWBACK. Mr. Chairman, I offer an amendment, amendment No. 64.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BROWBACK: Page 12, line 8 strike "\$7,000,000" and insert "\$3,000,000".

Page 13, strike line 18 and all that follows through page 14, line 11.

Page 16, line 24, strike "\$595,000,000" and insert "\$619,000,000".

Mr. BROWBACK. Mr. Chairman, I would like to inform the Members this amendment is designed to have several outcomes, and what we are doing with this I will describe briefly in this presentation.

It is intended to restore part of the funding for the newly independent states of the former Soviet Union provided by H.R. 1561, the American Overseas Interests Act, by removing some funds from other places.

My amendment is also intended to reduce the Treasury buy-back fund to the level authorized by the American Overseas Interests Act previously approved by this Congress and to eliminate the AID reform and downsizing account, a fund not authorized by H.R. 1561.

Finally, my amendment would cut an additional \$22 million in foreign assistance funds.

Now, AID argues it needs the \$30 million reform and downsizing account in order to make a 10-percent cut in budget, a \$30 million reform and downsizing account to make a 10-percent cut in budget.

By analogy, the ICC is making a 33-percent cut. It is not asking for a dime. I realize downsizing AID is very complicated, particularly more so than the ICC. I am not certain about that.

But does AID need \$30 million to make a \$50 million cut? The GAO will be analyzing this issue and issuing a report in September. Let us appropriate what we agreed to authorize and revisit the issue in September if GAO thinks AID needs the money in order to downsize.

Now, on the second part of this is the Treasury buy-back fund performs an admirable foreign assistance function, reducing bilateral debt of Latin American countries to support environmental and child survival activities. However, we have \$5 trillion in debt. We have our own to worry about. We need to put our own fiscal house in order. That is why I am calling for additional reduction here.

We have got to take care of this place so that we can have something to pass on to our own children, not worry about that so much in other countries.

Regarding the NIS, I would just want to put this briefly to my colleagues: I think we need to put these funds back in NIS. The NIS fund will have been cut by 27 percent from fiscal year 1995 level and by 75 percent from fiscal year 1994 level. This cut we are proposing would eliminate waste which has already been cut, get at the waste of this program. That is why I think we need to restore these monies in this particular area of the program.

I think we had better think about, ladies and gentlemen, what we are doing here in taking further, taking it down more than 75 percent from previously.

These are countries that are struggling to survive, struggling to democratize. We need to help them out. We need to do whatever we can here, and this small bit of money, I think, is far better spent here in helping INS countries to stabilize than to having AID reform and downsize and spend \$30 million to make a \$50 million cut.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWNBACK. I yield to the gentleman from New York, the chairman of the authorizing committee.

Mr. GILMAN. Mr. Chairman, I am pleased to rise in support of the amendment by my good colleague, the gentleman from Kansas [Mr. BROWNBACK].

Our assistance program in the new independent states is a vital effort to support the growth of democracy and market-based economies in the region of the former Soviet Union.

It is also vital to alleviating humanitarian needs in the region—particularly in Armenia, Georgia and Tajikistan.

In short—in ways both large and small—this program is serving the American national interest in that region.

Frankly, in this time of difficult budget decisions, we have had to reduce this assistance program.

Under the amount contained in this bill, as reported by the Appropriations Committee, this assistance program is already: 30 percent below the fiscal year 1995 appropriation, and 24 percent below the fiscal year 1996 request.

Most important, the amount included in this measure is \$48 million below the amount approved by this House when it recently approved the foreign aid authorization bill.

Mr. Chairman, I urge my colleagues to support the amendment offered by the gentleman from Kansas.

Mr. BROWNBACK. Mr. Chairman, just in closing on this, this succinctly moves money from the AID reform account, which was not approved by the authorizers, into NIS, which is already being cut 75 percent, and it further reduces the deficit and cuts outlays an additional \$22 million. It puts money where it ought to be. It cuts the budget. It cuts the deficit.

I urge my colleagues to support this amendment.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

First of all, I applaud the courage of the gentleman from Kansas today in introducing the amendment, and certainly I do not think there is any Member of this Congress, especially someone who has only been here such a short time as the gentleman from Kansas [Mr. BROWNBACK], who has grasped international affairs such as he has. I know that you are a very valuable ally to Chairman GILMAN on the Committee on International Relations.

The gentleman was not here the last years during the appropriation process when we first started funding for Russia and the independent states. I think that I was probably the only Member of the House that stood in opposition to that, because I felt that while we wanted to help Russia and the other independent states emerge as industrialized nations and we wanted to help them get on their feet and form a good democracy, it was I who stood on the floor and said we do not have the money to do that.

□ 1545

Mr. Chairman, the very fact that the gentleman is now coming before this committee that now I am chairing, and let me say we reduced the aid from \$842 million in 1995 to \$595 million in 1996, and I just feel like that we do not have the money to give more aid to Russia.

I say to my colleagues, If you want to reduce the deficit, that is another thing. I wouldn't have agreed to the \$595 million. It was much more than I wanted. But in the spirit of compromise, in trying to work out some bipartisan arrangement to give the administration the ability to have an effective foreign policy, I finally agreed to the \$595 million. To increase it further just sort of goes against my grain, but certainly not against the intent of what the gentleman is trying to accomplish, and that is to reduce AID money and to increase NIS money.

But I say to my colleagues, I think that the House has already decided and determined to radically downsize AID and to merge it into the State Department, which your committee wants, but that will take a couple of years, and the saving the gentleman is using may leave AID unable to administer the very program he wants to expand. With his amendment AID might have to shut down.

So, Mr. Chairman, I respectfully suggest to the sponsor that he withdraw his amendment and that we work with the managers on both sides of the aisle to see if some accommodation can be worked out. At this time I am obliged to oppose it because I feel like it infringes upon the agreement, the gentleman's agreement I have with the gentleman from Wisconsin [Mr. OBEY], and the gentleman from Texas [Mr. WILSON], and the other Members of the committee. Both sides of the committee, when this bill came out of subcommittee, went around the table, and I said if one member, if one member of our subcommittee on the Republican side opposed this agreement that we have structured, that fragile agreement which included more money for AID, well, then I said the agreement would not be put into effect.

So, we have a fragile agreement. I am going to live up to that commitment. Under no circumstances can I vote for any amendment that is going to increase AID to the independent states or to Russia because I feel that we have gone overboard with respect to our ability at this time in our history. So I respectfully oppose the amendment and would hope that the sponsor would withdraw it.

Mr. WILSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I, too, would like to rise in opposition to the amendment.

Mr. Chairman, I will not take the entire 5 minutes, but I will say it is unfortunate that the full Committee on Appropriations is meeting at the present time because we have so many Members that are interested that are not here, but I will say that I feel certain that the ranking member, the gentleman from Wisconsin [Mr. OBEY] and the chairman of the full committee would both vigorously oppose this amendment because of the AID reductions. I think they would also certainly oppose the reduction in the loan forgiveness for the poorest of the poor

countries, and I think I pushed the chairman about as hard as he can be pushed on the NIS, and I do not want to try to push him any further.

So, for that reason I would oppose the amendment as well, and I hope the gentleman would withdraw it, and we will try very, very hard to work with him when we get to conference.

Ms. SLAUGHTER. Mr. Chairman, I rise today in support of the Brownback amendment to restore funding to the New Independent States. This funding will provide needed assistance to Ukraine, a nation which has consistently been a leader among these new and independent nations.

Although I strongly support AID and am not pleased with further cuts to AID in order to fund the New Independent States, I also feel we must send a strong message of support for Ukraine. I hope we can address the AID shortfall as this bill moves through Congress.

Ukraine has instituted democratic reforms which have made it one of the most politically stable nations in the region. Ukraine and her people play an undeniably important role in this post-cold war world and we would be foolish not to recognize this fact and do everything we can to foster stability and development in that nation.

With more than 18 percent of the population of the newly independent states, Ukraine has consistently received under 10 percent of the total U.S. aid provided to the former Soviet Union. To let this continue would be neither fair nor prudent.

Geographically, Ukraine is the largest nation solely in Europe. Seven decades of Soviet rule and collectivization destroyed Ukraine's once-rich agricultural system, while militarization and the arms race left a huge military-industrial complex which does nothing to feed or house Ukraine's 52 million people. This complex must continue to be converted to non-military uses. If a humanitarian interest in helping our Ukrainian friends isn't a compelling enough reason to support aid to Ukraine, then certainly, my colleagues will agree that the United States has a significant security interest in making sure this conversion takes place.

Despite the recent developments in Russia, we simply cannot punish its neighboring nations, like Ukraine, by denying vital assistance to these new and struggling nations.

Mr. Chairman, I urge my colleagues' support for the people of Ukraine and their vote in favor of this amendment.

Mrs. LOWEY. Mr. Chairman, I rise in support of increased funding for Ukraine. Ukraine is one of our most important allies among the New Independent States [NIS] of the former Soviet Union. Since its independence, Ukraine has instituted democratic reforms, making it the most stable country in the region.

In 1994, Ukraine held democratic elections, voting in a new parliament and a new president. They have accepted all of our requests, including the ratification of START and NPT, and are in the midst of economic reform that has won praise from the IMF and G-7.

In the wake of this significant show of stability in an otherwise fragile region, it is imperative that the United States show strong economic support for Ukraine. Although Ukrainians make up almost one-fifth of the population of the NIS, they receive less than 10 percent of United States aid under the Freedom Support Act.

Although there are reductions in foreign aid in this bill, we must continue to make clear our international priorities. If we do not earmark \$150 million for assistance to Ukraine, we send the wrong signal to that country, and all other countries that are instituting democratic reforms. We must not tell Ukraine that there is nothing to be gained by adopting democratic reforms, maintaining a good human rights record, progressing with economic reforms, and unilaterally disarming their nuclear arsenal.

There are battles being waged right now between President Kuchma and the Ukrainian parliament over Ukraine's economic reforms and unilateral disarmament. Many members of parliament are pointing to the lack of past support from the United States for Ukraine's reforms, and questioning the benefits of continuing down this road. We cannot afford to let the Ukrainians turn back. Ukraine and the other young nations of the world, struggling with the implementation of democracy, must know that they will benefit from those reforms.

Mr. Chairman, Ukraine is deserving of our respect, praise, and commitment. I urge my colleagues to support increased aid to Ukraine.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. BROWNBACK].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWNBACK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 78, noes 340, not voting 16, as follows:

[Roll No. 422]  
AYES—78

Baker (CA)  
Ballenger  
Bartlett  
Barton  
Blute  
Brownback  
Burton  
Chabot  
Christensen  
Condit  
Crane  
Crapo  
Ehrlich  
English  
Ensign  
Flanagan  
Fox  
Franks (NJ)  
Ganske  
Gekas  
Geren  
Gilman  
Graham  
Gutknecht  
Hancock  
Herger

Horn  
Hostettler  
Inglis  
Kasich  
King  
Klug  
Largent  
Linder  
LoBiondo  
Lowe  
Luther  
Martini  
McCarthy  
McIntosh  
McKeon  
McNulty  
Mica  
Myrick  
Neumann  
Norwood  
Orton  
Pallone  
Peterson (FL)  
Petri  
Porter  
Radanovich

Ramstad  
Rohrabacher  
Rose  
Roth  
Royce  
Salmon  
Sanford  
Saxton  
Scarborough  
Sensenbrenner  
Shadegg  
Slaughter  
Smith (MI)  
Smith (NJ)  
Smith (WA)  
Solomon  
Souder  
Stenholm  
Stump  
Tate  
Tiahrt  
Traficant  
Upton  
Walker  
Weldon (PA)  
Weller

NOES—340

Abercrombie  
Ackerman  
Allard  
Andrews  
Archer  
Armye  
Bachus  
Baesler  
Baker (LA)  
Baldacci  
Barcia  
Barr  
Barrett (NE)  
Barrett (WI)  
Bass

Bateman  
Becerra  
Beilenson  
Bentsen  
Bereuter  
Berman  
Bevill  
Bilbray  
Bilirakis  
Bishop  
Bliley  
Boehlert  
Boehner  
Bonilla  
Bonior

Bono  
Borski  
Boucher  
Brewster  
Browder  
Brown (CA)  
Brown (FL)  
Brown (OH)  
Bryant (TN)  
Bryant (TX)  
Bunn  
Bunning  
Burr  
Buyer  
Callahan

Calvert  
Canady  
Cardin  
Castle  
Chambliss  
Chapman  
Chenoweth  
Chrysler  
Clay  
Clayton  
Clement  
Clinger  
Clyburn  
Coble  
Coburn  
Coleman  
Collins (GA)  
Collins (IL)  
Combust  
Conyers  
Cooley  
Costello  
Cox  
Coyne  
Cramer  
Creameans  
Cubin  
Cunningham  
Danner  
Davis  
de la Garza  
Deal  
DeFazio  
DeLauro  
DeLay  
Dellums  
Deutsch  
Diaz-Balart  
Dickey  
Dicks  
Dingell  
Dixon  
Doggett  
Dooley  
Doolittle  
Dornan  
Doyle  
Dreier  
Duncan  
Dunn  
Durbin  
Edwards  
Ehlers  
Emerson  
Engel  
Eshoo  
Evans  
Everett  
Ewing  
Farr  
Fattah  
Fawell  
Fazio  
Fields (LA)  
Fields (TX)  
Filner  
Flake  
Foglietta  
Foley  
Forbes  
Fowler  
Frank (MA)  
Franks (CT)  
Frelinghuysen  
Frisa  
Funderburk  
Gallegly  
Gejdenson  
Gephardt  
Gibbons  
Gilchrest  
Gillmor  
Gonzalez  
Goodlatte  
Goodling  
Gordon  
Goss  
Green  
Greenwood  
Hall (OH)  
Hall (TX)  
Hamilton  
Hansen  
Harman  
Hastert  
Hastings (FL)  
Hastings (WA)  
Hayes  
Hayworth

Hefley  
Hefner  
Heineman  
Hilleary  
Hilliard  
Hinchey  
Hobson  
Hoekstra  
Hoke  
Holden  
Houghton  
Hoyer  
Hunter  
Hutchinson  
Hyde  
Istook  
Jackson-Lee  
Jacobs  
Johnson (CT)  
Johnson (SD)  
Johnson, E. B.  
Johnson, Sam  
Johnston  
Jones  
Kanjorski  
Kaptur  
Kelly  
Kennedy (MA)  
Kennedy (RI)  
Kennelly  
Kildee  
Kim  
Kingston  
Klecza  
Klink  
Knollenberg  
Kolbe  
LaFalce  
LaHood  
Latham  
LaTourette  
Laughlin  
Lazio  
Leach  
Levin  
Lewis (CA)  
Lewis (GA)  
Lewis (KY)  
Lightfoot  
Lincoln  
Lipinski  
Livingston  
Lofgren  
Longley  
Lucas  
Maloney  
Manton  
Manzullo  
Markey  
Martinez  
Mascara  
Matsui  
McCollum  
McCrery  
McDade  
McDermott  
McHale  
McHugh  
McInnis  
McKinney  
Meehan  
Meek  
Menendez  
Metcalf  
Meyers  
Miller (CA)  
Miller (FL)  
Mineta  
Minge  
Mink  
Molinari  
Mollohan  
Montgomery  
Moorhead  
Moran  
Morella  
Murtha  
Myers  
Nadler  
Neal  
Nethercutt  
Ney  
Nussle  
Oberstar  
Obey  
Olver  
Ortiz  
Owens  
Oxley

Packard  
Parker  
Pastor  
Paxon  
Payne (NJ)  
Payne (VA)  
Pelosi  
Peterson (MN)  
Pickett  
Pombo  
Pomeroy  
Portman  
Poshard  
Pryce  
Quillen  
Quinn  
Rahall  
Rangel  
Reed  
Regula  
Richardson  
Riggs  
Rivers  
Roberts  
Roemer  
Rogers  
Ros-Lehtinen  
Roukema  
Roybal-Allard  
Rush  
Sabo  
Sanders  
Sawyer  
Schaefer  
Schiff  
Schroeder  
Schumer  
Scott  
Seastrand  
Serrano  
Shaw  
Shays  
Shuster  
Sisisky  
Skaggs  
Skeen  
Skelton  
Smith (TX)  
Spence  
Spratt  
Stark  
Stearns  
Stockman  
Stokes  
Studds  
Stupak  
Talent  
Tanner  
Taylor (MS)  
Taylor (NC)  
Tejeda  
Thomas  
Thompson  
Thornberry  
Thornton  
Thurman  
Torkildsen  
Torres  
Towns  
Tucker  
Velazquez  
Vento  
Visclosky  
Volkmer  
Vucanovich  
Waldholtz  
Walsh  
Wamp  
Ward  
Waters  
Watt (NC)  
Watts (OK)  
Waxman  
Weldon (FL)  
White  
Whitfield  
Wicker  
Williams  
Wilson  
Wise  
Wolf  
Woolsey  
Wyden  
Wynn  
Yates  
Young (FL)  
Zeliff

## 171NOT VOTING—16

Camp	Gutierrez	Tauzin
Collins (MI)	Jefferson	Torricelli
Ford	Lantos	Young (AK)
Frost	Mfume	Zimmer
Furse	Moakley	
Gunderson	Reynolds	

□ 1609

Messrs. HASTER, HINCHEY, DEFAZIO, LATHAM, and RUSH changed their vote from "aye" to "no." Messrs. BARTLETT of Maryland, CHRISTENSEN, STUMP, PORTER, SMITH of Michigan, and SCARBOROUGH changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment, amendment No. 37.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. RICHARDSON: Page 14, line 22, strike "2,326,700,000" and insert the following "2,325,500,000".

Page 21, line 7, strike "\$671,000,000" and insert "672,000,000".

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. A point of order is reserved.

(Mr. RICHARDSON asked and was given permission to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Chairman, this amendment that I am offering with the gentleman from California [Mr. ROHRABACHER] will increase the migration and refugee assistance fund by \$1 million to alleviate the refugee crisis on the Thai-Burma border. In keeping with budgetary guidelines, the increase in funding is offset by cuts to the Economic Support Fund.

The ramifications of the systematic repression conducted by Burma's ruling military junta, the State Law and Order Restoration Council or [SLORC], have created a refugee crisis along the Thai-Burma border that is worsening.

The launching of a major SLORC military offensive against the Karen refugees this spring resulted in an outflow of an estimated additional 20,000 refugees to Thailand bringing the population to over 90,000.

These new developments have serious implications for relief agencies. First, they are faced with unbudgeted expenses moving the refugees and establishing a new camp; and second, the new town-size camp will have different dynamics than the old village-size camps.

The Burma Border Consortium [BBC], the group of NGO's responsible for rice distribution and relief in the border camps, issued an appeal in March for an increase of \$5 million in their budget to cover the continuing worsening refugee situation. The BBC anticipated that it would be stretched

to the limit and experiencing a serious cash flow problem by April.

I have here a copy of a letter from the Burma Border Consortium Chairman Jack Dunford requesting additional funding.

Efforts to combat the growing refugee crisis along the Thai-Burma border could be expedited with this additional funding particularly if NGO's on both sides of the border were empowered with proper financing.

The Thai Government should not have to bear the burden of this refugee population alone. A clear signal must be sent that the international community is willing and able to assist the Thai, thus preventing the return of refugees to unsafe and unacceptable conditions.

The Richardson-Rohrabacher amendment increasing the migration and refugee assistance funds by \$1 million will enable organizations working along both sides of the Thai-Burma border to facilitate the settlement of additional refugees.

Mr. Chairman, I insert for the RECORD a letter from Jack Dunford, chairman of the Burma Border Consortium.

THE CHURCH OF CHRIST  
IN THAILAND,  
March 20, 1995.

BURMESE BORDER CONSORTIUM  
EMERGENCY UPDATE

The Burmese Border Consortium (BBC) six monthly report to the end of December incorporates a revised Appeal for 1995 and will be sent to you next week. The Appeal is for an increased budget of U.S. \$5 million to cover a continuing worsening refugee situation.

The map shows the estimated refugee population at the end of February as 88,907, an increase of 12,000 or 15 percent since December. During March numbers have continued to increase and could now have reached 95,000. Most of the new arrivals are in the northern area, camps K1 to K6. Currently there is still military activity around the KNU 6th and 4th Brigade areas and there is still the potential for a lot more refugees from these areas if SLORC launches and all-out offensive.

The situation remains very volatile and extremely dangerous for both the refugees and NGO's working for them. SLORC and Karen rebels continue to make intrusions into Thailand, entering refugee camps, stealing rice, threatening, abducting and killing refugees. There is fear and panic and a small number of refugees (probably less than 2000) have returned to the Burma side.

Most of the new refugees have arrived in very remote areas which will be cut-off by road as soon as the rains start. This is adding to the normal burden of stockpiling supplies for the rainy season. The revised budget of U.S. \$5 million is already 25% higher than 1994 but even this is based on a population of only 90,000 and a rice price of \$580. We are currently paying \$700 per sack for these new refugees.

The BBC is currently stretched to the limit. There will be a critical cash/flow crisis in April unless new funds arrive very soon, and any further increase in numbers will necessitate yet another increase in the budget.

It is difficult to estimate exact needs because many Donors have yet to indicate their proposed contributions for 1995. Present indications however suggest a short-

fall of between U.S. \$500,000 and U.S. \$1 million for 1995. All Donors are urged to confirm commitments as soon as possible, and to transfer funds as quickly possible to support the rainy season stockpiling. We will issue another statement when the funding situation becomes clearer.

On a more optimistic note, the first reports of a Karenni cease-fire deal are coming through, the Mon are reported to be about to resume talks with SLORC, and even the Karens are said to be discussing possible negotiations. There is still hope for a better future, but the needs of the BBC programme are unlikely to reduce in 1995.

JACK DUNFORD,  
BBC Chairman.  
THE CHURCH OF CHRIST  
IN THAILAND,  
Bangkok, June 14, 1995

BURMESE BORDER CONSORTIUM 1995  
EMERGENCY/FUNDING UPDATE NO. 4

Previous updates described two phases of the current emergency on the Burmese border. From January through March SLORC launched a major military offensive against the Karen National Union opposite Tak and Mae Hong Sen Provinces sending as many as 15,000 new refugees into Thailand. Although a de-facto cease-fire has been in place since then, the second phase of the emergency saw SLORC-backed Karen rebels entering Thailand, burning down refugee camps and attempting to persuade the refugees to return to Burma.

At the time of writing the incursions have stopped and, for the relief agencies providing assistance, the emergency has entered a third phase. To improve security for the refugees the Thai authorities have ordered a consolidation of the camps located in the areas where incursions occurred. In Tak Province camps K8 to K14 are to be consolidated in two locations, Sho Khlo (K10) and Mae La (K14), and in Mae Hong Sen Province camps K1 to K7 are to be consolidated at Mae Ra Ma Luang (K7). For the time being all other camps will remain as before.

The consolidation of camps K8 to K14 has started (see map) and Mae La will eventually house a population of over 20,000. This has two implications for the relief agencies. Firstly we have been faced with unbudgeted expenses moving the refugees and establishing a new camp, and secondly the new town-size camp will have different dynamics than the old village-size camps. We have already incurred costs in buying building materials because there is not enough available locally and we will now also have to start providing firewood. The Ministry of Interior will set up office in the camp but wishes to maintain the low key, self-support nature of the relief activities as much as possible. The need for other support services however seems inevitable. It is hoped to complete this consolidation within a month although further moves have been temporarily suspended because of an outbreak of diarrhea resulting in at least four deaths.

Although the order has already been issued for consolidating camps K1 to K7, heavy rains could make this impractical until later in the year.

All of this has been taking place against a background of speculation that the refugees might soon start repatriating to Burma. This has been fuelled to some extent by the fact that only about 50% of the refugees are turning up at Mae La during the camp moves. Some are interpreting this to mean that the others have all chosen to go back to Burma, but there is no reliable information. Some certainly have gone back but others are probably hiding out elsewhere in Thailand. There have also been continuing new

refugee arrivals mostly escaping vil-  
lage relocations and forced labour.

The border situation is tense. SLORC seems to have reverted to a hardline policy against all opposition and refugees tell of on-going human rights abuses throughout the border States. From our perspective there seems little justification to claim, as some do, that the situation has "returned to normal". There could still be further offensives or incursions resulting in new refugee movements. Relations between SLORC and Thailand are strained to the point that most border points are closed, construction on the "Friendship" bridge has been stopped, and both sides have been moving troops into border areas.

The result of all of this for the BBC is that we are facing additional expenditures because of the emergencies, and cannot rule out the possibility of new emergencies as the year progresses. Even without emergencies the BBC budget has not increased to over US\$6 million for this year:

	US\$
Food items .....	4,750,000
Household items/medical ...	370,000
Emergency items/transport	900,000
Administration .....	180,000
<hr/>	
Total .....	6,200,000

Donor response has again been magnificent and this budget is currently covered by projected income totalling US\$6,311,100.

	US\$
ADRA .....	4,000
Anonymous .....	200,000
American Baptist Min- istries .....	6,000
Anglican Church of Canada	7,000
Australian Churches of Christ .....	3,600
Bangkok Community The- atre .....	4,100
Bread for World, Germany .	100,000
Burmese Relief Centre .....	16,000
Burma Action Group, UK ..	3,000
CAFOD, UK .....	20,000
Christ Church Bangkok .....	1,200
CARITAS Switzerland .....	255,000
Christian Aid—UK .....	159,000
Church World Service, USA	245,000
Canadian Council of Churches .....	180,000
Compassion International .	6,400
DIAKONIA, Sweden .....	1,136,000
DOEN, Netherlands .....	115,000
Dutch Interchurch Aid .....	1,745,000
International Church BKK	2,000
International Rescue Com- mittee .....	608,000
Jesuit Refugee Service .....	65,200
Korean Church .....	5,000
German Embassy .....	55,500
National C.Churches Aus- tralia .....	1,365,000
Norwegian Church Aid .....	1,168,000
Open Society International	30,000
Refugees International	
Japan .....	35,000
Swissaid .....	1,290,000
Trocaire .....	123,000
United Society Prop Gos- pel .....	3,100
ZOA Refugee Care Nether- lands .....	560,000
Interest/Misc .....	4,000

<sup>1</sup>Part or all of these amounts have yet to be confirmed.

Funds from the Governments of Australia, Canada, European Union, Germany, Great Britain, Netherlands, Norway, Sweden, Switzerland and USA are channelled through these Donors.

Approximately US\$3,650,000 has already been received but BBC is currently carrying no reserves. Donors still processing grants

are urged to transfer funds as quickly as possible to avoid further cash/flow problems, and to provide cover for new emergencies.

Further funding appeals/updates will be issued if and when the situation changes.

JACK DUNFORD,

*Burmese Border Consortium,  
Chairman.*

Mr. Chairman, the gentleman from California [Mr. ROHRABACHER] and I have had a long interest in this issue. Let me say that we have met with the chairman of the subcommittee, who has made a very, very strenuous effort to ensure that there are adequate funds for this effort.

□ 1615

Now, we have at this time \$1.5 million that are allocated for the Thai-Burma border for the refugee crisis. It is the understanding of myself and the gentleman from California [Mr. ROHRABACHER] that the chairman will ensure that the funds that are in the legislation, that are in the refugee and migration account, will be moved over so that there will be a total of \$2.5 million for this amendment.

For that reason, Mr. Chairman, the gentleman from California and I are considering withdrawing the amendment once we enter into a colloquy with the chairman of the subcommittee.

Mr. Chairman, let me just say that, again, the reason that there is this repression, that this is taking place on the Thai-Burma border is we have a government called the SLORC, easily the most repressive of all time, that clearly is in a situation where because of this repression they are increasing the number of refugees along their border. There are squalid, horrendous conditions on this border. The Thais do not have the funds to adequately ensure that they can deal with the refugee crisis. So what we are doing is, we are moving these funds and we are ensuring that there are adequate medical facilities and that the United States, the State Department has not entirely spent their budget on this effort. For some reason, they have said in the past, we do not need these funds. So what the practical effect of this amendment does is, it would move ahead with \$2.5 million total for this effort.

The CHAIRMAN. Does the gentleman from Alabama [Mr. CALLAHAN] insist on his point of order?

Mr. CALLAHAN. Mr. Chairman, I withdraw my point of order.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to stand in support of my friend and colleague from New Mexico and everything that he stated. I would just say that there is a tragedy, an ongoing tragedy in Burma. The people of the United States have historically stood for freedom and democracy and if, indeed, we would continue this stand in Southeast Asia, many of the problems that we face today, like this refugee problem that is being expressed, talked

about today, would not be confronting us. Unfortunately, what we have done in these last 4 and 5 years is we have tried our best to try to romance the SLORC regime. We have done our best, and the gentleman from New Mexico has done heroic deeds in the cause of democracy. Yet, trying to treat this dictatorship with kid gloves, trying to move them along outside of the arena of tyranny has not worked.

Today we are confronted with not only a monstrous repressive regime but refugees whose lives are in our hands today.

I just stand in support of my colleague's efforts and my colleague's amendment.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I congratulate the gentleman from New Mexico for bringing to the attention of the House the need for additional refugee assistance along the Thai-Burma border.

The gentleman from New Mexico [Mr. RICHARDSON] as well as the gentleman from California [Mr. ROHRABACHER] have both been long interested in dealing with this matter. I know they have filed an amendment to add funds for refugee assistance in the area. I would appreciate them withholding their amendment, however. In return, I pledge to them that we will work with the State Department to ensure an additional \$1 million is provided these refugees.

I know that \$1.5 million has already been allocated for this purpose, but we will monitor the situation to ensure that these funds are spent for the purposes identified in the amendment.

I would like to thank both of the gentlemen for their efforts in this regard and for working with me and the committee to resolve the problem.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Chairman, let me commend the chairman and his staff for their excellent work on this issue. The chairman is somebody who I know is very concerned about this issue. I just want to make it clear that based on what the chairman just said to me in the colloquy, that in addition to the \$1.5 million that are allocated for the Thai-Burmese border, that the chairman, through his very strong efforts as chairman of this subcommittee, will ensure that an additional \$1 million will flow to this account to make it a total of \$1.5 million. Is that an accurate statement?

Mr. CALLAHAN. Mr. Chairman, I cannot assure that, but I will assure the gentleman that I will do everything I can to ensure that it does take place.

Mr. RICHARDSON. Mr. Chairman, if the gentleman will continue to yield, if that is the case, the gentleman from New Mexico and I know my friend from California are satisfied. I do appreciate



the chairman's word on this. We will, as the gentleman knows, have another amendment coming up on Burma which deals with the narcotics issue which we appreciate the chairman's support.

Mr. RICHARDSON. Mr. Chairman, I ask unanimous consent that the amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Page 13, strike line 18 and all that follows through page 14, line 11.

Mr. BURTON of Indiana. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 30 minutes, 15 minutes on each side, proponents and opponents of the bill.

The CHAIRMAN. Is there objection to request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] will be recognized for 15 minutes, and a Member in opposition will be recognized for 15 minutes.

Mr. CALLAHAN. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from Alabama [Mr. CALLAHAN] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, when we had the markup in the Committee on International Relations on AID, I became very concerned because I thought that the cut in the operational budget was not sufficient. The chairman's mark cut the overhead for AID by about 10 percent. I wanted to increase that cut to about 20 to 25 percent.

I wanted to reduce the spending by \$65 million. I brought an amendment to the floor of the House when the bill reached the House floor, trying to cut that \$65 million, and my position did not prevail because it was agreed by the majority of the House that we should stick with the chairman's mark of \$465 million.

I have talked to my colleagues on the Committee on Appropriations and I was under the impression that they agreed with the chairman's mark on the foreign aid authorization bill as far as the operational costs were concerned or the overhead was concerned.

Now I find that the chairman of the subcommittee has agreed to increase above the chairman's mark on the Committee on International Relations the figure by \$29.9 million. In my view,

this is an excessive amount of money, and it is a waste of taxpayers money.

We here in the Congress of the United States have cut our staffs by 30 percent. I felt like we should be able to cut the AID staffs by 20 to 25 percent, but we did not. We only cut them by 10 percent. Now we find that they are increasing in the foreign aid appropriations bill by \$29 million the operational account.

I think that is a mistake. Let me just point out some of the reasons why I think that is a mistake.

I have here before me a message that alludes to what the ambassador in Chad thinks about the AID program over there. And the ambassador in Chad, according to this memo, said that this was expensive, an expensive development program in Chad since the 1979 and 1981 wars, and that it had little impact.

This involves, I understand, \$2- to \$300 million. And if you read further in this memo, you find that the AID officer over there said, and I quote: With the exception of one other officer who leaves June 15, the remaining personnel will be occupied with the administration of the closeout. And listen to this, this is very important, our parting gift of \$4 million for Government officials' salaries in Chad will have been paid out to officials by the end of the May. They were giving them a goodbye gift of \$4 million. This is the AID administration.

This is a waste of taxpayers' dollars.

I also have in my possession an amendment or a document that I read several times before. This document was sent out by Sally Shelton, the senior staffer at the AID office. And this went through their inner office memo system throughout the world. She said, Larry Byrne, the assistant administrator for management at AID, announced that AID was two-thirds or 62 percent through this fiscal year, and we have 38 percent of the dollar volume of procurement actions completed. We need to do \$1.9 billion, that means spend \$1.9 billion, in the next 5 months. Byrne also said there are large pockets of money in the field, so let's get moving.

What he was saying in essence was, we want to spend this money before the end of the fiscal year.

Now, in addition to that, Mr. Chairman, I would like to point out to my colleagues what AID has been spending some of their money on. This is what is called a gender analysis tool kit. A gender analysis tool kit, it costs \$175,000. Nobody in this place really knows what that thing is for. AID has no business dealing with gender analysis tool kits. They are supposed to help developing countries with AID programs. And one of the subtitles, one of the booklets in this gender analysis tool kit says, sex and gender; what is the difference? A tool for examining the sociocultural context of sex differences. I would like to say to my colleagues on the Committee on Appro-

priations, what in the world is AID doing coming up with this kind of a program?

So finally, I would like to say that the chairman's mark, although I did not agree with it in the Committee on International Relations, did make a minor cut of 10 percent in the operational budget of AID. That is not enough. But most certainly, most certainly we should not be increasing by almost \$30 million the \$465 million that was in the chairman's mark at a time when we are trying to cut expenses.

My colleagues on the Committee on Appropriations are going to come back and say, we are cutting the appropriations by \$400 million. That may be the case. But here is 30 more million you can add to it because it is not needed. We certainly do not need to be spending this money.

I submit to my colleagues that we should stick with the chairman's mark. It is a reasonable amount of money. It will deal with the AID expenses adequately. It will take care of their personnel and any people who are going to be cut or laid off because it has figured into it the amount of money it is going to take to close out those people in some of these offices around the world.

So, I submit to my colleagues, support my amendment. Cut AID by \$29 million, go back to the Committee on International Relations chairman's mark. It is a reasonable figure. I urge the support of my amendment.

□ 1630

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the Burton amendment. The amendment would cut the \$29 million supplementary add-on of AID's operating expenses in a new reform and downsizing account. While the purpose of the account is a good one, regrettably, the account was not authorized in the Committee on International Relations bill. I support the amendment of the gentleman from Indiana [Mr. BURTON] to keep control of spending in this bill.

Mr. BURTON of Indiana. Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I would like to allocate half of the time allocated to me to the gentleman from Texas [Mr. WILSON].

The CHAIRMAN. Without objection the gentleman from Texas [Mr. WILSON] will be recognized to control 7½ minutes.

There was no objection.

Mr. CALLAHAN. Mr. Chairman, I yield myself 3½ minutes to speak in opposition.

Mr. Chairman, the committee recommendation truly does propose reduction of AID personnel and operations. We do not come into this issue ignoring the concerns that the gentleman from Indiana has. In fact, we applaud his enthusiasm toward attacking this agency

for some of their wasteful spending. He is exactly right in some areas. However, he is wrong here.

What his amendment is doing, is taking away from the ability of AID to downsize. The \$29 million he is talking about was money we put into the bill specifically earmarked to AID to downsize. If we take away this authority for them to downsize, I do not know how in the world they can downsize.

Mr. Chairman, an example is Radio Free Europe. They are in the process of reducing staff in Munich from 1,500 to 400 employees, and moving to Prague in the Czech Republic. The cost of downsizing is \$130 million, more than half the size of Radio Free Europe's annual budget.

AID has already cut staffing by 18 percent below the level that existed at the beginning of fiscal year 1994. The total of \$29,975,000 is being proposed for reform and downsizing activities.

The committee intends for the funds to be used as follows: \$4.7 million for severance pay, which we have to pay, for general services employees; \$11.2 million for the return home of directors that are overseas, general service, foreign service, and contractor employees, including moving expenses and employee closeout costs; \$12 million of the money must be used for mission closure costs, and foreign national severance pay.

We have entered into a contract with these foreign nationals, who have worked in conjunction with AID efforts. Under contract with those countries, we have to pay those employees severance pay. I did not make that arrangement. The United States of America made the arrangements. We are obligated. We cannot just say "Well, Congressman BURTON said we could not have the \$29 million." We have to pay that money.

Mr. Chairman, I concur in the sense that we ought to be downsizing AID, but I do not concur in this amendment. We already have downsized AID in our appropriation bill. We have acted responsibly. We have reached a bipartism commitment between the minority side and the majority side. We recognize the concern of the committee that the gentleman from Indiana [Mr. BURTON] so eloquently serves upon and speaks about. At the same time, I think we must be responsible. If we are going to downsize, we have to give them a van to close them out and to move them home. That is what this \$29 million does. It is earmarked specifically for reduction in force. Mr. Chairman, I would urge a "no" vote against the Burton amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I talked to the gentleman's staffers in the Committee on Appropriations and asked them where they got the information. They told me they got the information the gentleman just quoted from AID officials.

Mr. CALLAHAN. Reclaiming my time, Mr. Chairman, where would we get the information? Would we go ask someone on the street "How much would it cost to close down an office in Ethiopia?" We do not know that answer. We have to depend upon the agency to tell us how much money they need to downsize. They told us that to downsize that is what it would be.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would just like to say to my dear friend, the gentleman from Alabama, that when you call a bureaucracy like AID, with which I have worked for 12 years, and ask them if they need more money for closing down, we must expect they are going to say "We need more money for closing down."

I have worked with this agency, like I said, for 12 years. I can tell the Members, no matter how much money we say they are going to cut, they say they need more. I am not saying my colleagues are naive because they are very intelligent people, but I do not think we should rely on people from AID.

Mr. WILSON. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, I ask my colleagues to look at this amendment very closely. This is amendment No. 57, and it is double-barreled.

First, it takes away the downsizing account money, and as the chairman of the subcommittee said, this is going to affect it all over the world. We closed about nine offices, six in Africa alone. Of course, there are commitments there before you can close them about leases and moving and things of that nature.

It also affects our operation in Asia and Latin America, but specifically Africa. We have to give credit where credit is due.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. JOHNSTON of Florida. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. This is amendment No. 14, Mr. Chairman, I would tell the gentleman.

Mr. JOHNSTON of Florida. The same premise, Mr. Chairman, to eliminate this. That is \$30 million, which I think the committee very graciously put the money in there. I know from experience, Mr. Chairman, and being in Africa, being in Botswana, where the regional office was closed, myself, without going to AID, the fact that is going to be a substantial amount of expense involved.

Mr. Chairman, in others areas of Africa, and particularly in the francophone countries where there are leases involved, I think in that case we are going to have to give credit where credit is due in the fact that AID is doing an excellent job here. I just think that by eliminating this fund, this is very shortsighted. I strongly re-

quest my colleagues to defeat this amendment. The fact that we spent \$175,000 for gender analysis does not mean that we have to cut them by \$29.9 million.

Mr. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is not much more to say. It has all been said. This is an amendment to cut \$29 million from an account that has already been cut by \$52 million. The money is necessary for a businesslike, logical downsizing, for it to be done in a way that exercises good business judgments. The people do have to be moved. This reduction would particularly impact AID programs in Eastern Europe and the former Soviet Union. We have already reduced those significantly.

I just think that further reduction in AID would impact children's programs, programs that are labor-intensive, but most of all, it would act as a deterrent to a logical, rational downsizing approach.

Therefore, Mr. Chairman, I would ask my colleagues to vote against this amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I thank the gentleman for yielding time to me.

I would like to make four points, Mr. Chairman. One is a special appreciation to the chairman, the gentleman from Alabama [Mr. CALLAHAN], for the good work he has done, along with the new ranking member, the gentleman from Texas.

The other point I would like to make is an appreciation to the chairman of the Committee on Rules, the gentleman from New York [Mr. SOLOMON], for making this amendment in order, because in prior congresses it would be suspect whether it would be in order or not.

The second argument I would like to make is an argument of process. We have proceeded under the rules of the House. We set up authorizing committees and we set up appropriators. If we want to ignore the rules of the House and need to do that, then let us get rid of the Committee on Appropriations and put it all in one. We have done that. History has shown we have tried that before.

What we have tried to do under this Congress is to stop the sieve of the money. This is one of the experiences I learned in the 103d Congress, was if you did not get a project, if it was not authorized, or you did not get the amount that you wanted from an authorizing committee, run off to the appropriators and they will appropriate money that either was not authorized or is in excess of the authorizing amount. If we have monies here in excess of the authorizing amount, that should not be made in order. However, it was made in order. I understand that. Now we are here on the House floor as a matter of process and procedure.

Mr. Chairman, I appeal to the consciences of my colleagues to support this amendment and to support the authorizing committees, and not to support the appropriators spending money in excess of that which is authorized.

The fourth point I would like to make is that on substance. All of us are beginning to learn there are more and more, tons of studies out there referencing AID. The Agency for International Development has become a bureaucratic beast, a beast for which, the gentleman from Texas [Mr. WILSON] is smiling, he understands what it is about. It is very difficult to rein in the excesses of that. I think the two gentlemen working together are beginning to do that, but I think that AID is a bureaucratic beast which Reagan could not reform, Bush could not reform, and President Clinton is having a very difficult time reforming. I think this House is going to have to take the leadership to reform it. Please support the Burton amendment.

Mr. WILSON. Mr. Chairman, I yield back the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the gentleman's amendment.

AID is already in the process of downsizing and restructuring. Hiring has been frozen for almost two years, and will continue through fiscal year 1996. Twenty-one AID missions are being closed. The national performance review eliminated 1,200 jobs, and the authorization passed several weeks ago will reduce staff by another 400. These actions already underway represent a 20-percent personnel cut.

Further reduction of AID funding will impede management and oversight of the taxpayer's money and the programs which it funds. It will also increase job losses and complicate AID's efforts to transition to a smaller, more streamlined agency while still maintaining itself as a coherent and accountable institution.

Even without this amendment, the bill is \$14 million short of the amount AID says it needs to carry out its mission while downsizing and streamlining its programs and personnel. Further cuts will only complicate and disrupt this process.

Mr. Chairman, I urge Members to oppose the amendment.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let us get the facts out here. Let us stop and reflect on where we are. First of all, Mr. Chairman, the authorizing committee authorized a sum of \$465,750,000. The appropriations subcommittee and the full committee recommended the exact same amount.

The gentleman from Indiana [Mr. BURTON] has so eloquently found issues

such as this throughout the entire 10 years I have known him, and I applaud his efforts of bringing these matters, such as this horrible box of information that AID has printed. I knew nothing about that. I think it is great that he brings these things to our attention.

However, the gentleman from Indiana [Mr. BURTON] also came to me and said "SONNY, we need to downsize. We need to reduce the AID staff. We need to bring home some of these people from overseas." I do not want anybody in this country or in this room or anywhere in this city to think that I am up here trying to increase aid for anybody, much less AID.

Therefore, what we did in response to the request of the gentleman from Indiana, we went to AID and said "We are going to force you to downsize. We are going to include \$29 million in this bill, and we are going to say that you can only use this, and you must use this, to downsize your operation, because the Congress of the United States is demanding it." What we did was a responsible thing. We provided them with a moving van to bring these people home, with an opportunity to pay the severance pay when necessary in these foreign countries, not to just walk out of there and have us have to come back next year and ask for even more money.

Therefore, Mr. Chairman, I felt when I got with the minority and when I got with the subcommittee's ranking member, the gentleman from Texas, and we worked this out, I insisted that the wishes of the gentleman from Indiana [Mr. BURTON] be fulfilled; that we send a strong message to AID, and that at the same time, we afford them the opportunity by the \$29,000,000 that we put in there, especially earmarked, cannot be used for anything else, that we were doing a service to the gentleman from Indiana, I thought.

Now he comes and says he wants to remove the \$29 million. If we do not give them the \$29 million, how are we going to downsize?

□ 1645

I think that we have done the responsible thing. I urge Members to vote "no" on the Burton amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the other body, the authorizing committee over there was below the chairman's mark in the House by \$33 or \$34 million, so you have two of the authorizing committees that are well below the figure that the appropriators are coming up with here today.

The thing that bothers me the most is not that my colleagues are not well-intentioned. I have the highest respect for both the gentleman from Texas [Mr. WILSON] and the gentleman from Alabama [Mr. CALLAHAN], but my problem is that they are believing the people over at AID. I have worked with those people for 12 years. Mr. Chair-

man, I am not accusing them of being liars, but I am saying they stretch the truth an awful lot.

The chairman's mark on the Committee on International Relations was set at \$465 million. That is a 10 percent cut.

Let me give a figure that will surprise my friends on the Committee on Appropriations. Since 1985, AID's program costs have gone down by 23 percent. The money they are spending for worthwhile projects has gone down 23 percent. At the same time that their costs for programs have gone down 23 percent, they have increased their overhead by 41 percent.

How can you cut the size of your programs by 23 percent and at the same time increase the number of personnel and the overhead by 41 percent? It is obvious there is inefficiency in that agency, major inefficiency.

That is why the chairman's mark on the Committee on International Relations cut them back to \$465 million. I came to your office and wanted to cut it back to \$400 million or less, but it could not be done, according to the people on the staff of the Committee on Appropriations.

Now you are coming back and saying you want to increase it by \$29 million over the chairman's mark on the authorization committee. I just do not understand that. When you say the reason that you are increasing it by almost \$30 million is because, quote, AID says they need the money to close down, what evidence do you have except their word?

Mr. Chairman, if you went to any single bureaucracy within the jurisdiction of the Congress of the United States, any one of them, they would tell you they need more money for closing down or downsizing. The fact of the matter is the only way you are going to cut those bureaucracies is to say, "Hey, we're cutting you by 10 percent. You figure out how to do it."

If one were in any business, and I know the gentleman from Alabama was a businessman before he came to Congress, if you have to cut your overhead or go in the red and go bankrupt, you would call your staff in, you would call your board of directors in and you would say, "Hey, how do we get from here to there? How do we cut the spending?" And you would say, "We've got to do it or we go bankrupt," and they would figure out a way to do it.

Mr. Chairman, the AID bureaucrats will figure out how to live without this \$30 million. We are telling the taxpayers of this country they are going to have to do with less. We are cutting programs, domestic programs, left and right. Now here we have a chance to stick with the chairman's mark on the Committee on International Relations, and you are telling me you want to go \$30 million above it? I do not buy it.

I hope my colleagues in this body will see fit to live within the chairman's mark on the Committee on International Relations, save \$30 million, live within the budget, do the

right thing and save the taxpayers money. I absolutely guarantee, AID will be able to live with it.

Mr. ROTH. Mr. Chairman, this is a very important amendment, for two reasons.

First, it waves \$30 million for the American taxpayer, by cutting out unnecessary funds for AID operating costs.

Second, it sends a message to the bureaucracy that business as usual is over. Let me explain the legislative situation. Many of us in Congress have been pressuring AID to downsize.

It is a bloated bureaucracy, which is spending \$546 million for salaries, travel, office space, and operating costs. That is more than half a billion dollars to operate programs that total \$6.5 billion. What is AID's response to downsizing? They are demanding another \$30 million! Only in the Federal Government does downsizing translate into spending more money, not less.

Everywhere else in America, downsizing means reducing in size, cutting costs and saving money. But not in Washington. This is why the Burton amendment is so important.

This amendment says that downsizing means spending less money, not more. It says to AID: reduce your operating costs, like the rest of America. Vote for the amendment, save \$30 million and tell AID to cut its costs.

Mr. BURTON of Indiana. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 238, noes 182, not voting 14, as follows:

[Roll No. 423]

AYES—238

Allard	Chenoweth	Fawell
Archer	Christensen	Fields (LA)
Armey	Chrysler	Fields (TX)
Bachus	Coble	Flanagan
Baker (CA)	Coburn	Foley
Ballenger	Collins (GA)	Fowler
Barcia	Combust	Fox
Barr	Condit	Franks (NJ)
Barrett (NE)	Cooley	Frisa
Barrett (WI)	Costello	Funderburk
Bartlett	Cox	Galglegly
Barton	Cramer	Ganske
Bass	Crane	Gekas
Bereuter	Crapo	Geren
Bevill	Creameans	Gilchrest
Bilbray	Cubin	Gillmor
Bilirakis	Cunningham	Gilman
Blute	Danner	Goodlatte
Boehlert	Deal	Goodling
Boehner	DeFazio	Gordon
Bono	Diaz-Balart	Goss
Brewster	Dickey	Graham
Browder	Dooley	Green
Brownback	Doolittle	Greenwood
Bryant (TN)	Dorman	Gutknecht
Bunning	Doyle	Hall (TX)
Burr	Dreier	Hancock
Burton	Duncan	Hastert
Buyer	Dunn	Hastings (WA)
Calvert	Edwards	Hayes
Canady	Ehrlich	Hayworth
Castle	Emerson	Hefley
Chabot	English	Heineman
Chambliss	Ensign	Hergert
Chapman	Ewing	Hilleary

Hobson	McInnis
Hoekstra	McIntosh
Hoke	McKeon
Holden	Meehan
Horn	Metcalfe
Hostettler	Meyers
Houghton	Mica
Hunter	Miller (FL)
Hutchinson	Minge
Hyde	Molinari
Inglis	Montgomery
Istook	Moorhead
Jacobs	Myers
Johnson, Sam	Myrick
Jones	Neumann
Kanjorski	Ney
Kaptur	Norwood
Kasich	Nussle
Kennedy (RI)	Orton
Kim	Oxley
King	Parker
Kingston	Paxon
Kleczyka	Peterson (MN)
Klink	Petri
Klug	Pombo
LaHood	Portman
Largent	Poshard
Latham	Pryce
LaTourrette	Quillen
Lazio	Quinn
Leach	Radanovich
Lewis (KY)	Ramstad
Lincoln	Regula
Linder	Riggs
Lipinski	Roberts
LoBiondo	Roemer
Longley	Rogers
Lucas	Rohrabacher
Luther	Ros-Lehtinen
Manzullo	Roth
Martini	Royce
McColum	Salmon
McCrery	Sanford
McHale	Scarborough
McHugh	Schaefer

NOES—182

Abercrombie	Filner
Ackerman	Flake
Andrews	Foglietta
Baessler	Forbes
Baker (LA)	Frank (MA)
Baldacci	Franks (CT)
Bateman	Frelinghuysen
Becerra	Frost
Beilenson	Gejdenson
Bentsen	Gephardt
Berman	Gibbons
Bishop	Gonzalez
Bliley	Hall (OH)
Bonilla	Hamilton
Bonior	Hansen
Borski	Harman
Boucher	Hastings (FL)
Brown (CA)	Hefner
Brown (FL)	Hilliard
Brown (OH)	Hinchee
Bryant (TX)	Hoyer
Bunn	Jackson-Lee
Callahan	Johnson (CT)
Cardin	Johnson (SD)
Clay	Johnson, E. B.
Clayton	Johnston
Clement	Kelly
Clinger	Kennedy (MA)
Clyburn	Kennelly
Coleman	Kildee
Collins (IL)	Knollenberg
Conyers	Kolbe
Coyne	LaFalce
Davis	Levin
de la Garza	Lewis (CA)
DeLauro	Lewis (GA)
DeLay	Lightfoot
Dellums	Livingston
Deutsch	Lofgren
Dicks	Lowe
Dingell	Maloney
Dixon	Manton
Doggett	Markey
Durbin	Martinez
Ehlers	Mascara
Engel	Matsui
Eshoo	McCarthy
Evans	McDade
Everett	McDermott
Farr	McKinney
Fattah	McNulty
Fazio	Meek

Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Stark
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Traficant
Upton
Waldholtz
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Zeliff

Thompson
Thornton
Torres
Towns
Tucker
Velazquez
Vento
Visclosky
Volkmer

Vucanovich
Walsh
Ward
Waters
Watt (NC)
Waxman
Wicker
Williams
Wilson

Wise
Wolf
Wolfsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—14

Camp
Collins (MI)
Ford
Furse
Gunderson

Gutierrez
Jefferson
Lantos
Laughlin
Mfume

Moakley
Reynolds
Torricelli
Zimmer

□ 1709

Mr. TUCKER changed his vote from "aye" to "no."

Mr. KLUG, Mr. DICKEY, and Mrs. CUBIN changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT, AS MODIFIED, OFFERED BY MR.

HALL OF OHIO

Mr. HALL of Ohio. Mr. Chairman, I offer an amendment, as modified.

The CHAIRMAN. The Clerk will designate the amendment, as modified.

The text of the amendment, as modified, is as follows:

Amendment as modified, offered by Mr. HALL of Ohio: Page 7, strike line 18 and insert the following: "CHILDREN AND DIS-EASE PROGRAMS FUND".

Page 7, line 23, strike "\$484,000,000" and insert "\$592,660,000".

Page 8, line 6, strike "and (7)" and insert "(7) basic education programs, and (8)".

Page 8, line 16, strike "\$669,000,000" and insert "\$655,000,000".

Page 14, line 22, strike "\$2,326,700,000" and insert "\$2,300,000,000".

Page 30, line 17, strike "\$167,960,000" and insert "\$100,000,000".

Mr. CALLAHAN. Mr. Chairman, would the gentleman from Ohio [Mr. HALL] yield for a unanimous-consent request?

Mr. HALL of Ohio. I am glad to yield to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Chairman, would the gentleman object to placing a 1-hour time debate on this with the time equally divided?

Mr. HALL of Ohio. Mr. Chairman, I would not object.

Ms. SLAUGHTER. Mr. Chairman, reserving the right to object, I object, really, on the grounds that this is a very important amendment and it has just come to my attention.

The CHAIRMAN. The gentlewoman from New York objects.

Mr. CALLAHAN. Mr. Chairman, if the gentlewoman will yield, will the gentlewoman agree to any time limitation?

Ms. SLAUGHTER. Mr. Chairman, I would object to a time limit on the grounds that this is a very important amendment and it has just come to my attention that the money from this amendment is coming from family planning. And we would like to have a thorough discussion of it.

Mr. CALLAHAN. Mr. Chairman, if the gentlewoman will yield further, would the gentlewoman object to any

time limit so that we could give the Members an opportunity to go and eat or do whatever? But if we just had some time limitation, something reasonable, I am willing to accept anything the gentlewoman would like.

Ms. SLAUGHTER. I regret, Mr. Chairman, I did not want to object, but I wanted to make certain that everybody has the opportunity to discuss this.

□ 1715

The CHAIRMAN. The gentleman from Ohio [Mr. HALL] is recognized for 5 minutes.

Mr. HALL of Ohio. Mr. Chairman, this amendment, known as the "Children's Amendment", is being introduced by myself and my colleague, the gentleman from New York [Mr. HOUGHTON].

Our amendment transfers \$108.66 million from other foreign aid programs to ones that specifically save children. Our amendment is budget neutral. We have found the enabling funds within other foreign aid programs including development assistance (\$14 million), the economic support fund (\$26.7 million), and the Asian Development Fund (\$67.96 million). With all the cuts that foreign aid has received in the last few years, we must prioritize. We will save and improve millions of lives by making this transfer.

Mr. Chairman, 5 years ago, I attended the World Summit for Children in New York. In New York, 159 world leaders, including President George Bush, agreed to aim their nation's foreign aid resources at a few practical and achievable goals. We agreed to reduce child deaths by at least one-third, to reduce maternal deaths and child malnutrition by one half, and to provide all children access to basic education.

Many of you well know I have sought to champion these causes by ensuring that the United States contributes its fair share to the noble vision of the World Summit.

Mr. Chairman, ever since 1984, when I personally witnessed the unnecessary deaths of over a dozen infants in Ethiopia, I cannot seem to rest until I feel comfortable that we are doing all we can to avert such horrible tragedy. These children, whom I held in my arms, visit my conscience each and every day.

As policy makers who work closely with the programs that save these kids, AMO HOUGHTON and I have seen the incredible results products by focussing on child survival and basic education programs. Millions and millions of young girls, for instance, rarely make it past the fifth grade and perpetuate a cycle of poverty their families can never escape.

For each additional year of schooling these children receive, their incomes rise by 10 percent. By learning to read and write and to take care of themselves and their children, they cease being recipients of foreign aid and become instead economic players purchasing America goods.

We are at an extremely critical juncture today. The World is watching the Congress. The World is watching our new leadership in Washington. We have the chance to do the right thing for innocent, destitute, and dying children. What I am asking for will cost no more than the total amount currently in the foreign aid appropriations bill. What I am asking for is for us to prioritize children by transferring \$108.66 million from other accounts in this bill. These accounts are simply not as important as saving and improving the lives of millions of starving children who have absolutely no hope of a whole life.

We have made progress toward the goals that President Bush agreed to. It would be a big mistake to end our commitment before we finish the job. I remember some years ago saying that six vaccine-preventable diseases such as measles and tetanus were killing 5 million kids each year, and then 4 million. Now I am here to say that the same preventable diseases are taking 2 million lives a year. This is a legacy that Congress can be proud of. It is a legacy our Congress should continue.

Here is the legacy for Congress I would like to see. It is a legacy where we stood up to the task of stopping 2 million preventable child deaths next year. It is a legacy where we faced the fact that almost one-half of all rural women remain illiterate and more than 100 million children, mostly girls, are not in primary schools.

This amendment does not add one extra dollar to the appropriations bill before us today. Mr. HOUGHTON and I have provided modest cuts in other programs under this bill in order to save these most precious children. I think the areas which we propose to slightly reduce—the Economic Support Fund, the Asian Development Fund, and the General Development Account—can sustain the cuts we have in mind. Simply put, children come first.

Mr. Chairman, I am proud of the new protected Child Survival and Disease Programs Fund that the new leadership has created. Let's put our very limited dollars where they can really make a difference. This is the kind of foreign aid the American people like. It is the kind of foreign aid we can all be proud of, citizens and legislators alike.

The CHAIRMAN. The time of the gentlemen from Ohio [Mr. HALL] has expired.

(On request of Mrs. SCHROEDER and by unanimous consent, Mr. HALL of Ohio was allowed to proceed for 2 additional minutes.)

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HALL of Ohio. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. There is nothing I want to do more than agree with the gentleman, but the way I read this is these cuts are coming out of the funds that go to international family planning, too, and I am very troubled by that because as we just finished the Cairo conference, where we talked

about empowering women and that women should have the choice to decide whether they are going to be productive or reproductive, we are really going at this by doing that, and I am really very saddened by the gentleman's amendment.

Because I would jump on it in a minute except for the fact that it appears from the way I read it, it comes right off of the area where we have already made cuts but where we would be funding our family planning programs.

Mr. HALL of Ohio. The area that you are talking about is the development assistance account. I do take \$14 million out of there. I take \$67 million out of the Asian development bank of which I can explain a little bit later. I take approximately \$26 million out of ESF.

The \$14 million that I take out, in my opinion, is minuscule in what I am trying to do, because what happened in the last couple of years actually, before 2 years ago, we had an account called basic education. In this complete bill here, there is not a mention even in the committee report of basic education. Basic education goes for women and children. It goes for the teaching of breast feeding, the boiling of water, teaching women and children how to read and write.

I felt it necessary to take moneys out of certain funds, put basic education in the amendment and be sure at least that basic education got its fair share.

Mrs. SCHROEDER. I understand what the gentleman is saying. I just am very, very saddened because pitting mothers against children is not the way I would go in this amendment. That is how I read this amendment.

When you are going after a fund that has already been gone after, after the United States decided at the Cairo conference that if you worked really hard to empower women and children, I think we are going the wrong way.

Mr. HOUGHTON. Mr. Chairman, I move to strike the last word to speak on the amendment.

Mr. Chairman, I would like, if the gentlewoman from Colorado would just hold on a minute, I would like to get specifically to this issue that she talks about. Then I would like to talk on the general amendment.

As I understand it, there are three areas the money for this Houghton-Hall amendment would come from. One of them is the economic development assistance program. There are a variety of areas in there. There is economic development. There is environmental development. There is the population issue. And then there is the basic education.

In talking to the people in that specific area, they said they were going to spend on basic education, this is out of a fund of \$669 million, \$14 million, so all we are doing is taking that \$14 million, making sure that it is spent for basic education, not taking it out of anything else, so the remaining amount of money is going to be spent exactly as it was before.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HOUGHTON. I yield to the gentleman from Colorado.

Mrs. SCHROEDER. Now, my understanding is that really because of an amendment we passed, did we not change that \$669 million? Did not the gentleman from New York [Mr. GILMAN] lower that figure? I mean, we have already tapped into that fund once.

Mr. HOUGHTON. It was \$840 million. Now it is \$669 million.

Mrs. SCHROEDER. Now it is down to \$669 million? I thought it was lower than that. It has already been cut quite a bit.

Mr. HOUGHTON. It has already been cut. None of us are particularly happy about that, but with the amount of money remaining, the basic education, according to the people who are running the program, would be \$14 million. All we are doing is taking that out. That would not have affected the population or environment or economic development funds anyway.

Mrs. SCHROEDER. If the gentleman will yield further, then what I hear the gentleman saying is that my interpretation is incorrect, that you are not going to touch the funds?

Mr. HOUGHTON. We will not touch the population or environment or economic development funds. We will not even touch the basic education. The problem is that with taking any amount of money out of any one of these categories, we are going to be separating those amounts of money, the \$14 million, putting it in a different category, but the same amount of money would have been spent, in any event.

Mrs. SCHROEDER. If the gentleman will yield further, the way the gentleman's amendment is written, it does not say that. It takes it out of the top number, so you could take it out of environment and you could take it out of family planning, the way I read it.

Mr. HALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOUGHTON. I yield to the gentleman from Ohio.

Mr. HALL of Ohio. I would just like to add, what we are doing is basic education could be funded out of the development assistance fund to the tune, because there is \$669 million; what I am doing is freeing up the fund of basic education and transferring \$108 million into the children's account and saying spend the basic education money in that account.

Mr. HOUGHTON. Reclaiming my time, just let me go for the basic numbers. It was \$840 million for this entire category with four subsections. It is now \$669 million. We want to bring it down to \$665 million.

The only change is that the money which already would have been spent in that \$669 million, the \$14 million, is going to be pushed aside to make sure it is spent on basic education. None of the rest of the moneys, according to their plan, would be affected at all.

Mrs. SCHROEDER. Except, if the gentleman would yield further, you are still lowering it by \$14 million, and it has got to either come out of family planning or environment.

Mr. HOUGHTON. It lowers it in a total sense. In terms of a practical allocation, it does not affect those other three categories, because they were going to spend \$14 million anyway out of the \$669 million.

Mrs. SCHROEDER. So you are saying you lower it by that and transfer it to another category?

Mr. HOUGHTON. Transfer what already we spent to another category, to make sure that small amount of money of the \$669 million is going to be spent on basic education.

Mrs. SCHROEDER. If the gentleman would yield further, I understand what the gentleman is saying. That makes me feel better. I do not see where it says that in the amendment, and I am terribly frightened they would take the \$14 million out of there.

Mr. HOUGHTON. It probably does not, but this is according to the people who would be allocating and spending the money.

I think I am sort of running out of the 5 minutes, but I thank the gentleman very much.

I would like to say in conclusion that I support what the gentleman from Ohio [Mr. HALL] is doing. I respect him. I think it makes a lot of sense.

The agony is when you shift funds at all. Absent that, this would be an absolute no-brainer.

But I think it is the right thing to do, and I can give you chapter and verse out of my own experience, and I hope this will be supported.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to start off by saying how much respect I have for the gentleman from Ohio [Mr. HALL] and for many of the causes that he has been behind, especially with respect to humanitarian rights and to starving children, and I would like, as soon as he can, for him to give me his attention, because I want to direct part of my talk to him.

I want the gentleman from Ohio [Mr. HALL] to know that the American people gave us a strong message last November. They told us they wanted us to come to Washington, and they wanted us to cut spending, and they told us at the same time they wanted us to reduce everything but spending on foreign aid. They said cut foreign aid.

During this process, I, like you, have been concerned about the children of the world who are destitute and starving and who need immunization programs, and out of respect for you, I came to you and I said we must do one thing, if we are going to reduce foreign aid, which we are going to do, then we must protect the number one priority, and that is the children. We did not want to look at the television set and

see starving children and know that we could have done something about that by sending them food or medicine.

□ 1730

So, out of deference to the gentleman from Ohio [Mr. HALL] and others we created a new account called the child survival account, and in the child survival account we said to the administration, "You must take this money, and you must spend it on needy children throughout the world."

I say to the gentleman, I thought I was doing exactly what you wanted me to do.

Mr. Chairman, I am proud of the fact that this Congress and this committee has brought to this floor a measure that still reduces dramatically foreign aid, but at the same time prioritizes the use of what limited amounts of money we will have for child survival needs, and now I see the gentleman comes and says that, "You want to also increase the child survival account, increase it by taking away \$126 million from the Development Assistance Fund, \$68 million from the Asian Development Fund, and \$17 million from the Economic Support Fund to do something for basic education for adults."

The child survival program was intended, and is intended, and is in my bill because I was concerned, and I thought the gentleman was just as concerned about children of the world and need immunization, who need basic foods, we need a survival capacity that the United States of America can deliver in the form of food and medicine, and now we are saying that we also want the child survival account to educate adults in some countries.

I think that we do need to help educate some adults in other countries. I think we need to help educate some adults in this country. But I do not think that we ought to violate the child survival account by now including a mishmash of things by saying that we ought to also take money from other accounts, put it in my child survival account, and start educating people through basic adult education.

I say to my colleague, If you wanted to do that, I think that you should have come with an amendment, not put it in the child survival account, not even renamed the child survival account. I don't think you should have done that, but that's the gentleman's prerogative, but I would assure you, by, first of all, taking away from the Asian Development Fund, you are costing thousands of possible exporting job situations here in the United States because the Asian Development Fund is utilized to make things better for people and to give them a monetary possibility to develop the underdeveloped countries of Asia.

So, as my colleague knows, he has got me almost lost because when he came to my office there was nothing, there was no assurance, that the United States would do exactly what he has

been wanting to do ever since the day I first met him, and that is to provide a capability to feed starving children and to provide immunizations, and now he is coming and saying, "Let's expand the child survival account. Let's also put this itinerary here where we are going to increase the possibility of America spending money to educate adults in foreign countries."

Mr. Chairman, the American people do not want that. I do not want it in my bill. That is not the intent of the section that I included. My intent was to make absolutely certain that we would prioritize what limited amounts of money we are going to have available in 1996 for child survival, not adult education.

So, I strongly oppose the amendment, and I would ask my colleagues to recognize the purpose of the child survival section in my bill, and that is child survival.

Mr. HALL of Ohio. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection the Chair recognizes the gentleman from Ohio for 5 minutes.

Mr. HALL of Ohio. Mr. Chairman, I appreciate everything the gentleman from Alabama [Mr. CALLAHAN] has said. He is a very distinguished gentleman. I have had a number of talks with him about this. He is very much of a gentleman, and I appreciate the kind of constraints that he is under. But I must tell my colleagues I can remember debating this bill when this bill was around \$20 billion, and then \$18 billion, and now it is at a little bit under \$12 billion for foreign operations. We have cut this bill since 1985 by 40 percent, and it is interesting. I say to my colleagues: As you ask people in the country about the kinds of programs that I'm talking about, child survival activities, they believe in this. But it is also they did a poll in the United States, and they asked people what portion of the Federal budget should go to foreign aid, and most people thought that the portion of the Federal budget that went to foreign aid was around 18 percent. That was the average. Then they asked the American people, "What percentage do you think it should be?" The average guess was, the average what they thought was right, was 8 percent.

Well, the fact is that this is 1 percent actually of our total Federal budget. It is less than 1 percent of what we are talking about today.

I applaud what the gentleman has done in putting a parentheses around child survival activities. That is the only part I like about the bill because the other part in development assistance has been cut by 40 percent, aid to Africa has been cut by 34 percent, and there are a lot of programs in there that ought to be in there that are not in there. But the one good thing that I believe that the gentleman did is the parentheses, the special category for children, and what the gentleman said, we are going to put so much money in

this for children, for child survival activities, basic nutrients, AIDS, UNICEF, immunization kinds of programs, ORT and et cetera.

The gentleman added seven categories. I added another one. I made 8, and I add basic education because the gentleman forgot to include that, and we have funded basic education for years here to teach mothers about nutrition, to teach mothers reading and writing, to teach mothers about breast feeding, and boiling water and those kinds of things that eventually not only bring down the populations through the studies we have, but increase the gross national product.

Mr. Chairman, we only have so much resources, and I am saying, and some of us are saying, that this is the best money that we spend overseas. It is spent on child survivor activities, women and children. We get more mileage out of this.

As I said in my opening statement, years ago 5 million children were dying. Because of our efforts, then it was 4 million, then it was 3 million. Now is down to 2 million. We made that goal, and we have something to look forward to. We could end it, and we end it by these programs, and that is why I am saying we only have so much money, we must prioritize.

I say, I say, put the money here.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I reluctantly rise in opposition to the amendment offered by my good friends, the gentleman from Ohio [Mr. HALL] and the gentleman from New York [Mr. HOUGHTON].

I must agree with the arguments made by the manager of the bill, the chairman of the subcommittee, Mr. CALLAHAN.

The amendment would cut the development assistance account by \$14 million and the Economic Support Fund by \$27 million as part of its effort to provide additional funds for the Child Survival and Disease Fund. In addition, it would cut the Asian Development Fund by \$68 million.

The Economic Support Fund contains, apart from any funds intended for Israel and Egypt, only about \$250 million for economic political support for the entire world. With these funds we provide assistance to Jordan, Lebanon, on the West Bank and in Gaza, to developing democracies in Africa, Asia, and in Latin America. When we passed H.R. 1561 less than 3 weeks ago, we made prudent cuts so that this program will be funded below last year's level and below the President's request.

But there must be a limit. We must provide the President with some assistance tool with which to attempt to shore up our friends. We would be going a long way toward tying the President's hands if we cut it by the nearly

10 percent contemplated by this amendment.

I think that the decision made by this House last week on the overall size of the combined development assistance account, which at that time included the Child Survival Fund, should likewise be upheld. Also, as a strong supporter of family planning programs, I urge a "no" vote.

Furthermore, the Appropriations Committee has looked at the subdivision of funds between the Child Survival Program, on the one hand, and the development assistance account, on the other, and made a recommendation to this House. They have also taken a hard look at the Asian Development Fund, and recommended support for it.

Mr. Chairman, we need to keep long-term development in mind, as well as the pressing needs of individuals who are in need of immediate assistance. The Appropriations Committee has made a reasonable decision, and I think we should not overturn it.

To further clarify, this amendment would transfer \$14 million from the overall development assistance account to Child Survival. Simply put, it would mean that there would be fewer funds for family planning activities, among others, out of the development assistance account.

Accordingly, I urge my colleagues to oppose the Hall amendment.

Mr. WARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in favor of the Houghton-Hall amendment, and I am glad to speak in favor of a bipartisan effort to make this bill better.

I have listened to the debate, and oftentimes we cannot say that in this body, that we have been in the room and we have listened to the debate, but I have had the opportunity, since coming over to participate in it, to listen from the beginning, and I heard the concerns, Mr. Chairman, expressed about the family planning money, and I, too, am very concerned about that.

I did make the effort and had the opportunity to talk to the sponsors of this amendment, to other Members who are deeply involved in this amendment and to professional staff, and have been assured by them that this will not cause a reduction in family planning spending because we should not cause a reduction in family planning spending, but by the same token we do need at the same time, we do need to increase spending on education through these programs. Only through education can we achieve true freedom around this world. Only through basic education and basic skills training, as the gentleman from Ohio [Mr. HALL] has spoken of, can we achieve true freedom for all citizens of this world because only through education do people have the opportunity to have more control over their lives, whether it is through family planning or through taking advantage of economic opportunities.



So, for those reasons, I speak in strong favor of the Hall-Houghton amendment and praise the sponsor for his work. I, too, have had the opportunity of being in the Third World, of seeing the conditions that bring rise to these needs, of seeing the conditions that can be helped.

As the sponsor of the amendment said, we have seen a decrease in infant mortality around the world. We need to continue that, and for that I applaud him and support the amendment.

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of the Hall/Houghton amendment and would like to particularly thank my good friend, the gentleman from Ohio for the tremendous work and commitment he has put into this and other child survival issues for so many years.

Having had the privilege of serving as the first vice chairman of the former Select Committee on Hunger, I had the honor of working with then-chairman Mickey Leland and his successor, Mr. HALL, to make important reforms in U.S. hunger policy and to make the public better aware of the plight of the hungry.

Although the Select Committee on Hunger which Mr. HALL chaired is gone, our obligation is not. As the wealthiest and most advanced nation in the world, the globe's last remaining superpower, we continue to have a moral responsibility to help alleviate the problems related to hunger.

The Hall-Houghton amendment moves us toward meeting that obligation. In essence, Mr. HALL would reprogram \$109 million from the development assistance account to the child survival account to be used for basic education—primary and secondary schooling and adult literacy and skills training. By providing this level of education to children living in developing countries we are taking a critical step toward ensuring sustainable development is successful.

These programs are often carried out by NGO's [Non-Governmental Organizations] to teach children how to read and write and mothers the importance of cleanliness and hygiene.

In recent years, Members of the House have continued to recognize the importance of basic education as a means of advancing sustainable development throughout the world. By investing in basic skills, we are equipping impoverished children to become self-sufficient as they grow older while giving them a better understanding of how to utilize the resources around them so that their communities can prosper. Without a basic education, how can we expect developing communities receiving U.S. assistance to most effectively use the funds that we are providing and rise out of poverty?

The question arises: what do we in the United States get out of this proposal?

Simply put, basic education is an invaluable investment for us because it is a necessary tool for sustaining long-term development. In many respects, it should be viewed as critical seed money by which children, their families, their villages and eventually, whole economies become more independent and self-sufficient. Consequently, they will rely less on us for future aid.

Just as we recognize here in the United States the importance for every child to receive an education, so too must we recognize

this need for impoverished developing nations throughout the world. And, because in many of these nations access to basic education is often not readily available, we must work to make it more available.

Throwing good money after bad if we fail to target this money in the most cost-effective way.

The other issue facing this amendment is the funding question. First, the Hall-Houghton amendment would transfer basic education from the development assistance account to the child survival account. This is necessary because basic education is an important component of child survival. If we lump it together with other development assistance such as population, environment, and economic growth programs, there is a real possibility that basic education programs will lose out to these larger and more popular programs and this could significantly impact our attempts to achieve substantial development.

Second, the amendment would transfer an additional \$108 million from three other accounts to the child survival account to fund basic education. Let me repeat, the amendment is budget neutral and does not add funding to the bill but rather finds offsetting spending reductions to support this funding—a critical distinction between this and other amendments that might also be offered today.

This represents a proper order of priorities. Without basic education, we will limit efforts to achieve progress in sustainable development, and we will have less ability to make advances in agriculture, health, and other areas critical to economic and social progress. As populations continue to grow throughout the world, we must make sure that these communities at least receive the bare minimum of basic education so that they don't languish in hunger and poverty forever. Such a small contribution on our part will reap innumerable benefits in the future.

Once again, I would like to congratulate my two colleagues for their efforts on this issue and for bringing it to the attention of our other colleagues. I urge support for the Hall-Houghton amendment.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Ohio [Mr. HALL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HALL of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 263, noes 157, not voting 14, as follows:

[Roll No. 424]  
AYES—263

Abercrombie  
Ackerman  
Andrews  
Baesler  
Baldacci  
Ballenger  
Barcia  
Barrett (WI)  
Bartlett  
Becerra  
Beilenson  
Bentsen  
Bevill  
Bishop  
Boehlert  
Bonior

Borski  
Boucher  
Brewster  
Browder  
Brown (CA)  
Brown (FL)  
Brown (OH)  
Bryant (TX)  
Canady  
Cardin  
Chabot  
Chapman  
Clay  
Clayton  
Clement  
Clinger

Clyburn  
Coburn  
Coleman  
Collins (IL)  
Condit  
Conyers  
Costello  
Coyne  
Cramer  
Crapo  
Danner  
Davis  
de la Garza  
DeFazio  
DeLauro  
Dellums

Deutsch  
Diaz-Balart  
Dicks  
Dingell  
Dixon  
Doggett  
Doyle  
Duncan  
Durbin  
Edwards  
Ehrlich  
Engel  
Ensign  
Eshoo  
Evans  
Farr  
Fattah  
Fields (LA)  
Filner  
Flake  
Foglietta  
Foley  
Ford  
Fowler  
Frank (MA)  
Franks (NJ)  
Frisa  
Frost  
Ganske  
Gejdenson  
Gephardt  
Geren  
Gibbons  
Gilchrest  
Gillmor  
Gonzalez  
Goodlatte  
Goodling  
Gordon  
Goss  
Graham  
Green  
Gutierrez  
Gutknecht  
Hall (OH)  
Hall (TX)  
Harman  
Hastings (FL)  
Hayes  
Hefley  
Hefner  
Heineman  
Hilleary  
Hilliard  
Hinchev  
Hobson  
Hoekstra  
Hoke  
Holden  
Horn  
Houghton  
Hoyer  
Hunter  
Hutchinson  
Hyde  
Inglis  
Jackson-Lee  
Jacobs  
Jefferson  
Johnson (SD)  
Johnson, E. B.  
Johnston

Jones  
Kanjorski  
Kaptur  
Kasich  
Kelly  
Kennedy (MA)  
Kennedy (RI)  
Kennelly  
Kildee  
Kleczka  
Klink  
Klug  
Kolbe  
LaFalce  
Largent  
LaTourette  
Levin  
Lewis (GA)  
Lincoln  
Lipinski  
Lofgren  
Longley  
Lowey  
Lucas  
Luther  
Maloney  
Manton  
Manzullo  
Markey  
Martinez  
Martini  
Mascara  
McCarthy  
McCollum  
McDade  
McDemott  
McHale  
McHugh  
McInnis  
McKeon  
McKinney  
McNulty  
Meek  
Menendez  
Miller (CA)  
Minge  
Molinari  
Mollohan  
Montgomery  
Moorhead  
Moran  
Murtha  
Nadler  
Neal  
Nethercutt  
Neumann  
Oberstar  
Olver  
Ortiz  
Orton  
Owens  
Oxley  
Pallone  
Pastor  
Payne (NJ)  
Payne (VA)  
Pelosi  
Peterson (FL)  
Peterson (MN)  
Petri  
Pomeroy  
Portman

Poshard  
Pryce  
Quinn  
Radanovich  
Rahall  
Ramstad  
Rangel  
Reed  
Regula  
Richardson  
Riggs  
Rivers  
Roemer  
Ros-Lehtinen  
Roukema  
Roybal-Allard  
Rush  
Sabo  
Salmon  
Sanders  
Sanford  
Sawyer  
Saxton  
Schaefer  
Schiff  
Schroeder  
Scott  
Seastrand  
Sensenbrenner  
Serrano  
Shays  
Sisisky  
Skaggs  
Skelton  
Slaughter  
Smith (MI)  
Smith (NJ)  
Spratt  
Stark  
Stenholm  
Stokes  
Studds  
Stupak  
Talent  
Tanner  
Tauzin  
Taylor (MS)  
Thomas  
Thompson  
Thornton  
Thurman  
Tiahrt  
Towns  
Traficant  
Tucker  
Upton  
Ventos  
Visclosky  
Volkmer  
Waldholtz  
Ward  
Watt (NC)  
Watts (OK)  
Weldon (FL)  
Weldon (PA)  
Williams  
Wise  
Wolf  
Woolsey  
Wyden  
Wynn

NOES—157

Allard  
Archer  
Armey  
Bachus  
Baker (CA)  
Baker (LA)  
Barr  
Barrett (NE)  
Barton  
Bass  
Bateman  
Bereuter  
Berman  
Billray  
Billirakis  
Bliley  
Blute  
Boehner  
Bonilla  
Bono  
Brownback  
Bryant (TN)  
Bunn  
Bunning  
Burr

Burton  
Buyer  
Callahan  
Calvert  
Castle  
Chambliss  
Chenoweth  
Christensen  
Chrysler  
Coble  
Collins (GA)  
Combust  
Cooley  
Cox  
Crane  
Creameans  
Cubin  
Cunningham  
Deal  
DeLay  
Dickey  
Dooley  
Doolittle  
Dornan  
Dreier

Dunn  
Ehlers  
Emerson  
English  
Everett  
Ewing  
Fawell  
Fazio  
Flanagan  
Forbes  
Fox  
Franks (CT)  
Frelinghuysen  
Funderburk  
Gallegly  
Gekas  
Gilman  
Greenwood  
Hamilton  
Hancock  
Hansen  
Hastert  
Hastings (WA)  
Hayworth  
Herger

Hostettler	Mink	Souder
Istook	Morella	Spence
Johnson (CT)	Myers	Stearns
Johnson, Sam	Myrick	Stockman
Kim	Ney	Stump
King	Norwood	Tate
Kingston	Nussle	Taylor (NC)
Knollenberg	Obey	Tejeda
LaHood	Packard	Thornberry
Latham	Parker	Torkildsen
Laughlin	Paxon	Torres
Lazio	Pickett	Velazquez
Leach	Pombo	Vucanovich
Lewis (CA)	Porter	Walker
Lewis (KY)	Quillen	Walsh
Lightfoot	Rogers	Wamp
Linder	Rohrabacher	Waters
Livingston	Roth	Waxman
LoBiondo	Royce	Weller
Matsui	Scarborough	White
McCrary	Schumer	Whitfield
McIntosh	Shadegg	Wicker
Meehan	Shaw	Wilson
Metcalf	Shuster	Young (AK)
Meyers	Skeen	Young (FL)
Mica	Smith (TX)	Zeliff
Miller (FL)	Smith (WA)	
Mineta	Solomon	

## NOT VOTING—14

Camp	Lantos	Rose
Collins (MI)	Mfume	Torrificelli
Fields (TX)	Moakley	Yates
Furse	Reynolds	Zimmer
Gunderson	Roberts	

□ 1804

Mr. KIM and Mr. DICKEY changed their vote from "aye" to "no."

Mr. FRANK of Massachusetts, Ms. ESHOO, Ms. ROYBAL-ALLARD, and Messrs. DIXON, CLINGER, HILLEARY, and HOEKSTRA, Mrs. SEASTRAND, and Messrs. DICKS, SMITH of Michigan, and FLAKE changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

## AMENDMENT OFFERED BY MR. MILLER OF FLORIDA

Mr. MILLER of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Miller of Florida: Page 16, line 24, strike "\$595,000,000" and insert "\$565,000,000".

Mr. MILLER of Florida. Mr. Chairman, I am introducing this amendment along with my colleague, the gentleman from Miami, FL [Ms. ROSLEHTINEN], to reduce funding for Russia and the newly independent states by \$30 million. This amendment will reduce funding for Russia and the newly independent states by \$30 million.

By passing this amendment, we can send a message to Moscow that Congress will not continue to support a government that disregards human rights at home and abroad. We need to let Russia know that its egregious behavior has not gone unnoticed. In Chechnya the Russian military has displayed a pattern of aggression that should not be ignored.

In Bosnia, Russia supports the Serbians who are engaged in brutal acts of ethnic cleansing. And even closer to home in Cuba, they have assisted Fidel Castro in maintaining his totalitarian reign over that nation.

While I commend the efforts of my colleagues on the Committee on Appropriations for introducing a bill that reduces foreign aid by more than 10 percent, I believe that we need to go further. In this era of fiscal austerity for which every American has sacrificed, we cannot continue to subsidize Russia's aggressive behavior.

This amendment will provide a warning to Russia to alter their policies or face further sanctions. We have got to let them know the United States will not stand for it, Congress will not stand for it, and the American taxpayer will not stand for it.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I understand and I sympathize with the concern of the gentleman from Florida and the other members of the Florida delegation about the possibility of an unsafe nuclear reactor.

Mr. Chairman, I understand the concern of the Florida delegation and the gentleman from Florida with his amendment of reducing aid to the independent states of the former Soviet Union.

However, his amendment, in my opinion, does not do what he seeks to do, and that is limit the ability of Russia to provide some type of capability to the Castro government in Cuba to help them with a nuclear reactor. No one in this body that I know of supports helping give Castro any ability to participate with Russia or any other country, Iran or any other country, to help them build a nuclear reactor, but the gentleman's amendment does not address that. The gentleman's amendment is just a symbol of what he is trying to do.

The amendment does not address specifically what he wants to address, and that is whether or not Russia will be diminished in the event that they furnish aid, some type of assistance to Cuba. We do not have special account aid, first of all, in this bill for Russia. So there is no money to cut. And even if we did have, it does not do that. It simply says that we are going to take away money from the independent states, from the various independent states of the former Soviet Union. So what you are doing is, you are penalizing the Ukraine and Armenia and other areas of the independent states by your amendment because you simply just reduce the amount of money that we had provided for the former independent states.

So if you are going to address this issue, I think it should be more properly addressed in the Menendez amendment, which has been put in order by the Committee on Rules and will answer that question directly yes or no. But to just go ahead and reduce aid to the independent states to send someone a message, number one, it does not ensure that the balance of the money will not be used by Russia or any of the independent states. They can take what is left, if they want to build a nu-

clear reactor in Cuba. So I think your amendment misses the point.

And while I respect what you are trying to do and your colleagues in Florida are trying to do, I hope you recognize that your amendment is not doing that. It is simply reducing aid to the independent states. There is nothing in there to say that the reduced aid cannot be spent in Cuba. And while I do not support any of it being spent in Cuba, I think that your amendment really does not truly address the question.

If you want to reduce aid to Russia, we will reduce aid to Russia, but there is no provision in this bill that gives any aid to Russia anyway. So I recognize what the gentleman is saying. I sympathize with the problem. I will do everything I can to absolutely send whatever message to whatever country, whether it be a newly independent state or any other country in the world, that we do not want this to take place on our shores. I just do not think that the amendment actually satisfies what the gentleman is trying to do because there is nothing to preclude them from doing it, if we are going to give them aid anyway.

□ 1815

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take a back seat to no one in the desire to save money on foreign assistance. During the years that I chaired the subcommittee, the foreign aid bill for the United States was reduced from \$18 billion to \$13 billion. I defy anyone to show me any other appropriation bill which was cut more deeply.

I have in my possession, in fact I prize them, three letters from previous administrations, the Reagan Administration and the Bush Administration, each telling me that they were planning to veto my bill because we did not spend enough money, so I take a back seat to no one in my desire to see the taxpayers' money is spent judiciously in this area.

However, there is a price for participation effective participation in the world. When we do not pay that price, we often pay a far higher price. If Members question that, all they have to do is to take a look at what happened to the world when the West essentially ignored what was happening in the Weimar Republic after World War I in Germany. A fellow by the name of Hitler came to power because he exploited the fact we did nothing to ease the economic collapse in that country, and only 50 million people died, including a good many Americans, so there is a price for participation in the world. I would much rather it be financial than human.

Mr. Chairman, I think it is a mistake to cut aid to the Soviet Union, or the former Soviet Union, below the amount in the administration's request. I in fact think it is a mistake to pass this amendment. Aid to the former Soviet

Union has already been reduced by 27 percent below last year's level. This cuts another \$30 million.

Mr. Chairman, I would point out that two-thirds of this cut will not be applied to Russia. It will be applied to other former republics, such as Armenia, Ukraine, countries that we would like very much to see maintain as much independence as possible. This amendment is going to make it more difficult for them to sustain that independence.

I would also suggest this cut is going to hurt the very people we are trying to help in Russia itself, the reformers who want to see a market-based economic system, and who want to see a democratic political system.

I understand that this amendment is being offered by members of the Florida delegation because they are unhappy about the fact that Cuba began in 1983 (before the Communists fell from power in Russia) they began the construction of a nuclear power plant, financed partially by the former Soviet Union.

However, I would point out that all Russian aid stopped in 1992, when Russia demanded hard currency payments from Cuba. I would point out that the only subsidy from Russia since that time was a \$30 million credit to mothball the plant, not to build it, but to mothball the plant. We want that plant mothballed!

Mr. Chairman, I would also make the point that the press has reported that the Cubans would seek Western backers for that plant, but in fact the Wall Street Journal contacted the companies allegedly involved and they denied any concrete intention to proceed. So it seems to me shortsighted to deny \$30 million aid to former Soviet Republics because they provided \$30 million to put the nuclear plant in mothballs. It seems to me that is exactly what we want. No sane person, Russian or American, want to see that plant built.

Therefore, it seems to me if we want to effectively oppose the construction of any nuclear plant in Cuba that is not to our liking, what in fact we ought to be doing is to promote the political causes of the factions within Russia who are most opposed to that, and other idiotic actions that some of the other factions would like to take.

Mr. Chairman, I know it is very easy to come into this well and say "Let us cut foreign aid." As I say, we have cut it billions of dollars over the past few years. However, there are times when a specific cut can be the wrong thing from the standpoint of American interests, and this is such a time.

AMENDMENT OFFERED BY MR. WILSON AS A SUBSTITUTE TO THE AMENDMENT OFFERED BY MR. MILLER OF FLORIDA

Mr. WILSON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. WILSON as a substitute for the amendment offered by Mr. MILLER of Florida: on page 16, line 24, delete \$595,000,000 and insert \$580,000,000.

Mr. WILSON. Mr. Chairman, this substitute merely reduces the amount of the cut from \$30 million to \$15 million. Mr. Chairman, I would ask the gentlewoman, is this acceptable?

Ms. ROS-LEHTINEN. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Mr. Chairman, I would ask the gentleman, is this then a \$15 million cut from the same budget item on the appropriations bill? It was the 595, and the gentleman cut 15.

Mr. WILSON. Mr. Chairman, I would say to the gentlewoman, yes.

Ms. ROS-LEHTINEN. If the gentleman will continue to yield, Mr. Chairman, I would ask, would the legislative language be clear in our debate? We have tried to make sure that it is understood that our intent is that Russia is the target of this.

I realize that the way that the bill is drafted, and purposely and quite deliberately, it is drafted in a way that it has to be taken out of Russia and all the newly independent states. Would the gentleman agree that the target in this would be Russia, and of course, it is not up to us to determine this, I understand, in this bill?

Mr. WILSON. Mr. Chairman, I do not think I can do this because of the way this is drafted. It has to come from all of the newly independent states.

Ms. ROS-LEHTINEN. If the gentleman will continue to yield, that would be a determination?

Mr. WILSON. We could discuss the language with the managers. I am unable to make that commitment at this point.

Ms. ROS-LEHTINEN. Mr. Chairman, if I could further ask the gentleman to yield, that would be an acceptable cut, \$15 million, from my perspective. I am a cosponsor with my colleague, the gentleman from Florida [Mr. MILLER], if we could ask him for his response on this.

Mr. MILLER of Florida. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Florida.

Mr. MILLER of Florida. Mr. Chairman, I would find that acceptable, and I would support the gentleman's amendment to my amendment.

AMENDMENT OFFERED BY MR. HEFLEY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WILSON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MILLER OF FLORIDA

Mr. HEFLEY. Mr. Chairman, I offer an amendment as a substitute for the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFLEY as a substitute for the amendment offered by Mr. WILSON as a substitute for the amendment offered by Mr. MILLER of Florida: strike "\$580,000,000" and insert "\$296,800,000".

POINT OF ORDER

Mr. LIVINGSTON. I have a point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LIVINGSTON. Mr. Chairman, is an amendment to the amendment to the amendment in order? Is that an amendment in the third degree?

The CHAIRMAN. The amendment to the amendment offered as a substitute is not in the third degree and is in order.

The gentleman from Colorado [Mr. HEFLEY] is recognized for 5 minutes.

Mr. HEFLEY. Mr. Chairman, I rise to offer an amendment to the substitute which cut the appropriations to the former Soviet Union from \$595 million to \$296.8 million. For those who have been talking about how the \$30 million cut is too drastic, it is going to seem very, very drastic.

The way we arrived at these figures is to look at last year's. It is a little difficult to get at, because it is difficult in the bill to know exactly where these dollars are going to go. However, the way we arrived at it was to look at the expenditures last year, and some of the programs that we thought were foolish expenditures, and subtract from that.

Mr. Chairman, I commend the gentleman from Alabama [Mr. CALLAHAN], for his efforts in putting together a bill that is significantly better than the foreign operations bills of the past. The gentleman has worked hard to focus American taxpayer dollars on regions that will most benefit from U.S. assistance, and prioritize them according to our own national security interests.

The former Soviet Union is such a region. I agree with the committee's views that no relationship is more important to the long-term security of the United States than the strategic relationship with the former Soviet Union. If reform fails in the former Soviet Union, the potential of nuclear confrontation will increase greatly.

If I believe this to be true, how could I stand here and promote slashing U.S. aid to the newly independent states? Let me tell the Members why, because much of the aid we have given, and that which we will give again this year, has been a total waste, I think, of taxpayer dollars.

When we think of the aid to the former Soviet Union, most of us think of humanitarian aid, or aid to promote free market, or we think of strengthening democracy there. However, when we think of aid to the former Soviet Union, do we envision Planned Parenthood of Northern New England? That is right, Planned Parenthood of Northern New England has received over \$200,000 of these tax dollars to develop a Center for the Formation of Sexual Culture in Russia. I do not know about the Members, but that is not high on my list of aid to the Soviet Union priorities.

Mr. Chairman, we give money intended to implement structural changes in Russia, but instead some of this money went to the Center of Love and Support, a program to teach employees in Russian hospitals a good bedside manner. I wonder how many

Russian children could have been immunized with the \$200,000 that was spent on that?

What bothers me most and should bother all of us, I think, is the amount of money we are wasting in the so-called aid to the Soviet Union. Billions of the dollars we expended in the past has not been wisely spent, much of it because between 50 percent and 90 percent of the money in these aid packages has not reached the pockets of a single pro-democracy, pro-market, pro-reform foreign citizen.

Instead, this money found its way into the pockets of consultants and beltway bandits, and the going rate for a Western consultant to the former Soviet Union is about \$800 a day, and a lot of them are collecting on that rate.

My constituents are outraged, and I think the gentleman's are, too. I encourage my colleagues to support this amendment to cut aid to the former Soviet Union. This amendment is intended to zero out many programs which are simply so inefficiently administered as to render them useless, or are programs we do not need to be involved in, or are programs we simply do not have good accountability on. We do not know where the money has gone, and we do not know whether it is being spent well or not.

Mr. Chairman, I would encourage support of this amendment.

Mr. WILSON. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, this is a massive, massive, massive cut. This would absolutely wreck the entire program that the United States has built up. It would not only cause great hardship in Russia and certainly put the brakes on all the efforts toward privatization there, but it would wreck the programs in the Ukraine, it would wreck the programs in Armenia, it would wreck the programs in Georgia, and in my opinion, it would completely diminish any ability that the United States has to affect any events that take place in the former Soviet Union or in Russia itself.

Mr. Chairman, I am surprised at the amendment offered by the gentleman from Colorado [Mr. HEFLEY] because of the drastic nature of it. It is a train wreck. It will destroy any possibility of any sort of bipartisan cooperation in passing this bill on the floor. I do not have to tell the Members what the State Department or what the administration feels.

Mr. Chairman, often during times when Democrats ran the House and Senate and Republicans ran the White House, which has usually been the situation since I have been in Congress, I used to always have to remind my Democratic colleagues when they had amendments like this that would absolutely wreck administration programs that we ought to be a little careful and a little moderate, because some day we might have the White House.

I would like to remind my friends in the majority that they ought to be a little careful and a little moderate, be-

cause some day they might have the White House and we might be back in the majority, and then they will have to talk to us about this.

However, this amendment is drastic, it is extreme, it is an sleuth show-stopper, and Mr. Chairman, I would urge, urge, urge my colleagues to vote "no".

Mr. LIVINGSTON. Mr. Chairman, I move to strike the last work.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

□ 1830

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

Mr. Chairman, if this amendment were adopted, frankly, it would knock out a key component of a declining foreign aid budget. It would affect more than Russia. It would affect Armenia, Ukraine, and all of the independent states that we are trying to assist in achieving their independence from Russia. It would, frankly, just destroy our foreign policy with respect to New Independent states of the former Soviet Union. I think that is ill-advised. I just hope that the Members will vote against it.

There is reason to be concerned about Russia, for example, their hard tactics against Chechnya, but a cease fire is in place and there are mediating talks between the Russian government and the Chechnyan separatists going on now.

The Gore-Chernomyrdin Commission is meeting this week to review the proposed sale of Russian nuclear reactors to Iran, to ensure that no militarily useful components are provided to Iran.

With regard to NATO expansion into Eastern Europe, Russia has now joined NATO's Partnership for peace program.

Russia is fully supportive of U.N. talks to end the conflict in Tajikistan. Russia has signed a framework agreement for the withdrawal of its 14th Army in Moldova.

Russia has recently reached important agreements with Ukraine on division of the Black Sea Fleet and basing of the fleet. It is reportedly moving to settle a conflict that Georgia faces with separatists in the region of Abkhazia.

It has agreed that any peacekeeping force in Azerbaijan will fall under OSCE supervision. It is moving towards parliamentary elections this December and presidential elections next June in Russia alone.

It has withdrawn its troops from the Baltic States, and it is ending its targeting of nuclear weapons on the United States. The days of the costly and dangerous cold war confrontation are hopefully over for good.

The best way to turn that around is just to turn our back on Russia and say, "All your progress over these last few years is all nice, but we're just going to walk away from you. What-

ever happens to you, just go ahead, reassert your nationalistic, militaristic point of view on your neighbors, and we're going to save our money."

I would say it is going to cost us a heck of a lot more money changing this around when all hell breaks loose in that part of the world. This amendment is just not wise.

I want to take this opportunity to say that I know that the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] have worked with the members of this subcommittee long, hard hours, with the staff, to confect this bill. I know that it is the objective of the majority to allow as much of an open rule as possible, and allow all Members to come forward to the well of the House and offer their amendments.

We have over 70 amendments to this bill. If we want to engage in the committee process, if it makes any sense whatsoever to try to develop some expertise and some coherent foreign policy, then I hope that the Members would have some reliance on the committee process and let it do its work.

But if we want to just write all legislation on the floor of the House, fine. We will just forget the committee process. Let's just do all of the business on the floor of the House, but be prepared to work to midnight from now until Christmas, and let's forget about weekends.

This has just gone a little bit too far. This bill is a good bill, it is a balanced bill, and this amendment destroys the balance and neglects the role and the objectives of the United States in maintaining peace in the world. It is ill-advised. It should be rejected.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in opposition to the Hefley amendment. My colleagues, I do not think there has been anyone in this House who was more opposed to the program that the administration brought to this Congress in 1994 where the President had committed some \$2.1 billion to the independent states of the former Soviet Union. I rose and spoke against part of that aid to Russia, although I was certainly interested in seeing democracy prevail there, but I never rose in support of cutting off moneys to the Ukraine or Armenia or any of the other independent states.

Mr. Chairman, no one to my knowledge, including me, rose to say they were against aid to Ukraine. No one rose and said we ought not to give money to Armenia or to Georgia, because we want those countries to survive, and we want them to understand democracy, and we want the administration to have the ability to go to the independent states.

We are not talking about Russia as much as we are the Ukraine and the other independent states. There is nothing in my bill that earmarks any money for Russia. As a matter of fact,

there is language in my bill that says before they can spend any money in Russia, they have to come back to the committees to get permission to do it, that we can sign off on.

No one has been stronger in vocal opposition to aid to Russia for silly things like building houses for the retired military officers in Russia than I have. I have been the only one that stood on this floor, to my knowledge, and said anything about it. I did not hear the gentleman from Colorado or anybody else coming up and saying we ought to not give aid to Ukraine or Georgia or Armenia, and I did not say it.

We have come from \$2.1 billion. Last year we gave them \$842 million. This is not Russia. This is all of the independent states. The President came this year, and he said, "Gentlemen, I need \$788 million," and I was the one who said we do not have that kind of money, we are going to have to cut the independent states just like we are cutting everybody else.

The committee reduced it to \$595 million, one-quarter of what we gave them just 2 years ago. Now along comes the gentleman from Florida, and he recommends another \$30 million, and now the gentleman from Texas has worked out seemingly a compromise to reduce that to only \$15 million, which I am going to support.

But if we are going to tell Armenia, if we are going to tell Georgia, if we are going to tell the Ukraine, if we are going to tell anybody that we are not going to support the democratization and the ability of this administration to assist them to establish these democracies, well, then, maybe we ought to cut it all out. Maybe that would be the way to go. If you want to build a wall around America and say we are not going to participate in this type of international activity, build a wall up. Let's do it that way.

But to come in and to say that we are going to cut \$296.8 million and take it away from those countries who deserve our help and who we want to support, and we don't want to create another cold war, we don't want to give them encouragement to begin redeveloping a military, we want to assist them where they will not become reunited again, which is what your amendment is going to force, I think, ultimately them to do, is to say, "Look, we thought the United States would help us, we thought the other G-7 nations would help us, but now they're turning their backs on us."

Mr. Chairman, I strongly oppose the gentleman's substitute amendment. I urge Members to vote against the Hefley amendment. I urge Members to vote for the Wilson substitute, and if the Wilson substitute passes, I would encourage Members to then vote for the Miller amendment as substituted by the gentleman from Texas [Mr. WILSON].

Mr. HEFLEY. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Colorado.

Mr. HEFLEY. I thank the gentleman from Alabama [Mr. CALLAHAN] for yielding. I have great respect for your judgment in this. You are certainly more knowledgeable than I am.

It is not just the Ukraine that is getting this money. Booz, Allen & Hamilton is getting this money. Paine Webber is getting this money. Ernst & Young is getting this money.

Some of you speak as if I am cutting the whole thing out. We still have \$300 million in here. You say we have come down a great deal, and we certainly have since we started doing this, but is this something, do we take them to raise forever?

Is this something that is going to go on and on forever or are we going to see the day when we are not putting any money into the former Soviet Union?

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think we need to put in perspective what we are being asked to do here.

We have an awful lot of self-styled foreign policy experts, starting with people like Henry Kissinger himself and going right on down, who are saying that we ought to extend our NATO guarantees virtually to the Russian border.

I ask Members, how many people really believe that the American people would support the idea that the United States ought to make a security commitment to defend all of eastern Europe, possibly even the Ukraine and some of the other countries in that region, much as we want to see those countries remain free?

In a public opinion poll, how many Americans do you think would vote for us to extend that security commitment with all of the dollars that it would cost to maintain that commitment and with all of the cost it might someday reach in human terms? I suspect the answer is not very many.

If you believe that, as I do, then it seems to me that what you need to do is to find a way to make sure, even though we only affect events on the margin in that region, to try to find a way to make sure that we never have to provide that kind of money and we never have to provide the use of American troops to defend those countries.

What is the best way to do that? Well, when the Iron Curtain collapsed, the Bush administration and the Congress on a bipartisan basis decided the best way to do that was to try to promote market reforms in the Soviet Union.

Secretary Baker came down to the committee and he said, "Look, fellows and gals," he said, "I know we're going to make some mistakes, but I beg you not to tie our hands. We don't know what opportunities are going to be presented to us, we don't know what

choices are going to be presented to us. We ask you to just trust us to do our best in a situation we've never experienced before."

It seemed to this subcommittee at that time to be a good bet, because we had literally spent trillions of dollars to win the cold war, and we did win the cold war. Now we are faced with a Russian economy which is in shambles because of the stupidity associated with the Communist system. So we are trying to work our way through both political reform and economic reform, not just in Russia but in some of the former captive nations.

Now we are told that despite the fact that that rebuilding job has barely begun, that we ought to take this bill and reduce aid to the former Soviet Union by two-thirds from last year. As the gentleman who chairs the subcommittee has indicated, that is an almost three-quarters reduction from just 2 years ago.

Mr. Chairman, I submit that what we are spending today is pennies in comparison to what we will have to spend if events go the wrong way in Russia and the Ukraine and in other countries in that region.

You betcha there have been mistakes. I have great respect for the gentleman from Colorado [Mr. HEFLEY], but I can give him some other examples of mistakes. I recall just a couple of years ago when there was an op-ed piece in the Washington Post attacking me because I withheld funds for the Enterprise Funds in that region because they were insisting on paying salaries of \$400,000 a year. And our committee held up that whole operation for 4 months until they blew that arrangement away.

You have been told by the subcommittee chairman that not a dime is going to be able to be spent in Russia until they bring the way they intend to spend it back to the committee so we can make a judgment about it. That is going a far piece, to make certain that to the best of our ability in the legislative as opposed to administrative body, that we can help prevent the executive branch from making further mistakes.

I do not like the fact that a single dime was wasted. But the fact is I think that it was perfectly understandable for the previous administrations to say, "look, we've got to try everything. Undoubtedly we will make some mistakes, but we're going to experiment. We hope you bear with us." I think it was reasonable for them to ask us that. I think it is reasonable for the Clinton administration to ask that we give them reasonable flexibility in dealing with all of the problems in that region. I would respectfully suggest that we would be cutting off our nose to spite our face and damaging our own economic and political and national interest if we make this kind of reduction. I urge Members not to do this.

□ 1845

Mr. DUNCAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I will not take the full 5 minutes, but I rise in strong support of the amendment offered by the gentleman from Colorado [Mr. HEFLEY]. I think it is a very fair and reasonable amendment. I rise in support of this amendment not as any criticism of the gentleman from Alabama, because I think that he has done everything within his power to make this bill as fair to everyone as possible and to cut it as low as possible, but the last speaker mentioned that he thinks that a public opinion poll would show that very few people would support an extension of NATO. I would say to you that I think a very small percentage, a very few of the American citizens, an overwhelming majority of the American citizens would not support us even spending \$300 million in aid to the States of the former Soviet Union, and that is, of course, the amount that would be left to do in the amendment offered by the gentleman from Colorado.

We should have no reason to feel guilty about that figure of \$300 million, because we have sent billions over there just the last few years. In fact, 4 years ago Leslie Gelb, the foreign affairs editor of the New York Times, estimated that the combined Western aid to the former States of the Soviet Union had totaled \$60 billion, most of it coming from the United States.

Two years ago this Congress voted to send \$12 billion to the States of the former Soviet Union through the International Monetary Fund and the World Bank. Then in addition to that the gentleman from Alabama [Mr. CALLAHAN] mentioned a few moments ago that 2 years ago we sent \$2.1 billion in direct aid to the States of the former Soviet Union. I think it was \$830 million last year. If we reduced it to \$300 million this year we would still have done many times more than any other country in this entire world.

As the gentleman from Colorado [Mr. HEFLEY] has mentioned, much of this money, most of this money, is going to overpriced, overpaid consultants. He got this figure of \$800 a day for a typical consultant from a story which ran in the Wall Street Journal last year, and that story ran under a headline, quote, "U.S. Aid is Quite a Windfall for U.S. Consultants," and some consultants are receiving as much as 90 percent of certain aid contracts.

And listen to this. The article said that there is, "dancing in the streets" by consultants but hardly any of the money is getting through to the average Russian. The story reported criticism because of waste and meager results. That same story quoted one expert as saying that, "The aid benefits Russians minimally, if at all," and that he expects "a scandal down the road that is going to upset the taxpayers."

A few years ago, 3 or 4 years ago, Henry Kissinger wrote an article for the Washington Post that said unfortunately most of our aid to Russia is going down a black hole. We need to stop pouring money down that black hole.

Our first obligation is to the U.S. taxpayers. We are still almost \$5 trillion in debt. We are still losing almost a billion dollars a day. We are spending money that we do not have; \$300 million in aid to the States of the former Soviet union is plenty.

I urge support for this amendment offered by the gentleman from Colorado [Mr. HEFLEY].

Mr. ROEMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise with a great deal of sympathy for the intent of the amendment offered by the gentleman from Colorado [Mr. HEFLEY].

I think that it is appropriate that Congress act on the floor of the House of Representatives with respect to sending a message to Russia. But I think that the gentleman's amendment is probably for method, for money, and for message the wrong place to send this message to the Russian people. Let me explain what I mean.

First of all, I would oppose the gentleman's amendment because of the method. I will offer an amendment under title V which will place a limitation on moneys to Russia. It will not get into the moneys that would go to the newly independent states. We do not want to punish under this amendment, even though we are saying this is intended for Russia, it is the account for the newly independent states as well. So it is not the appropriate method to achieve the message that we want to send to Russia.

Second, the money. Certainly, as we send the hundreds of millions of dollars to the Russian people, some of the programs, very effective, very efficient, are working to achieve what we hope that the Russian people achieve, and that is a transition to a free enterprise system and democracy.

Some of the money that we are sending is under the Nunn-Lugar money, which is trying to achieve peace and stability, and I support that money. Some of the money is sent from our NASA account to buy the Russian participation in the space station. I object to that money.

But certainly we should have a voice when we send hundreds of millions of dollars over there. I think that is what the gentleman from Florida [Mr. MILLER] and the gentleman from Colorado [Mr. HEFLEY] are saying, but we do not want to devastate our relationship with the Russian people at such a delicate and precarious time. I think to send the message that we are going to cut \$296 million out of aid to the Russian people is simply too much at this delicate, precarious time.

I think more in terms of a limitation only to Russia, directed at Russia, and specifically limiting it by \$30 million; a

\$30 million cut, as I would propose under title V, would be more appropriate.

Last, I think, Mr. Chairman, it is very appropriate for us to send a message to Mr. Yeltsin and the Russian people that they must stop immediately this war in Chechnya. This is in our direct interest to do. It is in our direct interest because the Russians have just recently acquired a \$6.2 billion loan from the IMF. We are the largest guarantor of those loans through the IMF. We have a great deal at stake in the Russian transformation to a free enterprise system and a democracy, and the Russian people, the Russian Government are spending about \$2 billion in pursuing this war in Chechnya.

Now, this is morally and ethically a tragic war that is taking away from the efforts to transform their economy and their government. So I think it is appropriate for us to send a message to them. I would hope that the gentleman from Colorado would join on title V where we can directly limit the aid to Russia rather than get at some of the newly independent states' moneys.

I think it is very appropriate for the United States Congress to say to the Russians and to Mr. Yeltsin: "This war has got to stop. It is hurting you in the West. It is hurting you in the world. It is hurting your people. It is hurting people. It is hurting peace. It is an immoral war, and it must stop."

That is a good message for the people of the United States to send to the people of Russia and to Mr. Yeltsin.

Mr. WELDON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I will not take the entire 5 minutes, but I do rise in opposition to the amendment offered by the gentleman from Colorado [Mr. HEFLEY], my good friend, and in support of the compromise offered by the gentleman from Texas [Mr. WILSON] and modified by the gentleman from Florida [Mr. MILLER] and the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Mr. Chairman, 2 weeks ago I was on the floor of the House perhaps leading the fight on increasing funds for missile defense and for putting some limitations on Nunn-Lugar money so that we could get some cooperation from the Russians on their chemical and biological weapons.

But, Mr. Chairman, this amendment I think sends a totally wrong signal. It is important for us, I think, to let the Russian military know that we are going to deal with them from a position of strength and that we are going to take what steps we have to take to protect our people.

But it is equally important for us to send a signal to the Russian people, and the citizens of Armenia and Azerbaijan and Turkmenistan and Uzbekistan and Tadzhikistan, and all

□ 1900

those other former Soviet republics, that we are going to work with them to help them move away from a military-industrial economy, move toward a free market system.

That is what this money does, Mr. Chairman. I think that this amendment sends the wrong signal. Let us look at some of the specific programs that have benefited from this funding. I will just give some examples of ones that I have been working with.

Our good friend, the gentleman from Texas [Mr. LAUGHLIN] and I for the last 2½ years have cochaired the Former Soviet Union-American Energy Caucus. We have worked with the 16 largest energy corporations in the world, most of them American corporations, to develop energy initiatives inside the former Soviet republics. The assistance from programs like those funded today made possible the single largest energy deal in the world.

The Sakhalin project deal was just concluded this past year. It will see \$10 billion of western investment that will allow Mobil and Marathon Corp. to work with the Russians in developing what we think is one of the world's largest energy resources.

That will directly benefit this country, private sector money, western capital, and help stabilize the Russian economy.

The same thing is happening right now in the Caspian Sea where we are working with a group that wants to develop a project and a pipeline that may help us bring together the Armenians and the Azeris in a way that will allow then to see economic benefits from a project developing energy resources in the Caspian Sea.

Why are these projects so important? The alternative for the Russian people, and those people of the other former Soviet republics, is to sell off their nuclear technology; that is unacceptable to us. To sell off their conventional arms to raise capital; that is unacceptable to us. We have seen them do it with the submarine sales to Iran with the efforts to sell off their technology.

Therefore, we must work in a positive way to develop joint economic opportunities and to help the Russians realize their full economic potential. Just last year a delegation of the Members of this Congress, bipartisan, went over to Murmansk, and we came back and worked with the Trade Development Administration. We have heard criticism about consultants.

The Trade Development Administration awarded a \$300,000 grant to the MacKinnon Searle Group of Virginia to begin the study of the conversion of the largest shipyard in St. Petersburg. The Baltic shipyards in St. Petersburg is where the Russians built the Kirov-class warships, where they have potential to build nuclear warships, 8,500 workers.

Money that will be cut in this amendment was used to begin the process of converting that shipyard to an environmental remediation center

where instead of building warships, those 8,500 workers can help dismantle old Russian warships and deal with PCB's and lead-based paints and the other problems inherent in naval warships.

In addition, we have seen from the funding that would be cut in this amendment the development of an Biznet program. And I urge my colleagues to do down to the Department of Commerce and see the tremendous strides made in working to encourage American businesses to do joint ventures in Russia and the other republics.

That is creating American jobs and American economic opportunity, but it is having a direct positive impact on the Russian economy and the economy of the other republics.

Mr. Chairman, I am as concerned about what is happening in Chechnya as any of my colleagues in this body. But, Mr. Chairman, I think this amendment sends the wrong signal. I think we have to be aggressive with the Russian Government, as we did on the defense bill. But I think we also have to show that we want to be supportive; we want to nurture the free enterprise developments that are occurring there; we want to encourage the kind of positive economic opportunities that are developing throughout the former Soviet states today.

So I would urge my colleagues, despite my friendship with the gentleman from Colorado [Mr. HEFLEY], to oppose this amendment and to support the efforts of the gentleman from Texas [Mr. WILSON] and also the gentleman from Florida [Mr. MILLER] in this amending process.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Hefley amendment and in support of the Wilson substitute, I know that it is fun to come down to the floor and do a lot of cutting. I used to do it a lot on my own. And I hope Members heard the gentleman from Pennsylvania's excellent presentation on being responsible when you do the cutting.

Mr. Chairman, the committee has been responsible. The committee has made deep cuts in aid to the former Soviet Union. But the Hefley amendment goes way too far and seriously undermines our ability to work with Russia and the independent states, as the gentleman from Pennsylvania [Mr. WELDON] has so eloquently outlined.

Two-thirds of the money that is left in this bill, after having cut it to \$193 million less than the request, and \$248 million less than last year, two-thirds of this money does not go to Russia.

The Hefley amendment cuts aid to Ukraine, Armenia, and other victims of the former Communist state. We need to continue our support for an independent Ukraine. We need this money to keep Armenia alive. It will seriously undercut the remaining free marketeers and reformers in Russia.

It is not responsible, from this Member's point of view, to make the kind of cuts that the gentleman from Colorado [Mr. HEFLEY] envisions cutting. He has made some good arguments, and they are arguments that we need to address, but this is not the way to address it.

The way to address it is look at what the committee has done and seriously sending a message to Russia by cutting from the request and cutting from last year.

But there are real, legitimate concerns that the committee has. We are sending a message with the Wilson substitute, a very real message that if Russia does not clean up their act, there will be consequences from this body. But when you come to the rubber hitting the road, you have to ask yourself, are we cutting for cutting sake or are we cutting to make responsible decisions?

I think the Hefley amendment cuts too deep. I would urge our Members to vote against Hefley amendment and support the Wilson substitute.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

I will not take the full 5 minutes. I would like to echo what the gentleman from Wisconsin [Mr. OBEY] said about what I consider to be the very dangerous idea of expanding NATO into countries the American people probably have not too much interest in defending and that can make no contribution on their own. I do not think the United States really and truly wants to extend our nuclear umbrella to the borders of Russia.

I would like to remind the members that we are talking about, in the great scheme of things, we are talking about a very minuscule amount of money. The most successful foreign policy initiative that the United States has ever enjoyed was the Marshall Plan. The Marshall Plan saved Europe from communism. We even extended the Marshall Plan to Germany, to our great enemy in World War II. But, again, it saved democracy. It kept Europe from becoming communist. It kept Europe from coming behind the Iron Curtain. It was done in a great bipartisan manner. It was not popular with the American people. It was an enormous amount of money, particularly compared to what we are doing today.

I suggest that this modest investment in the newly independent states is in the same spirit as the Marshall Plan was.

Finally, I would like to underline one more time that two-thirds of this money, two-thirds of this cut, are going to cut the hearts out of the programs that we have in the Ukraine, that we have in Armenia, that we have in Georgia and that we have in other countries which I not only cannot spell but I cannot pronounce.



Finally, finally, finally, I would like to remind the House that we are talking here about a couple hundred million dollars. But I would also remind the House that since the Berlin Wall came down, since the great changes occurred in the Soviet Union and since the disintegration of the Soviet Union, that we have saved probably today, this year, our defense budget is probably \$200 billion less than it would be if we were still facing a highly nationalistic Soviet Union. So I think, by any measure, by any measure, that the Hefley amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. HEFLEY] as a substitute for the amendment offered by the gentleman from Texas [Mr. WILSON] as a substitute for the amendment offered by the gentleman from Florida [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2 of rule XXIII, the Chair will reduce to a minimum of 5 minutes the time for a recorded vote, if ordered, on the Wilson substitute and then on the original Miller amendment, if there is no intervening business or debate following the 15-minute vote.

The vote was taken by electronic device, and there were—ayes 104, noes 320, not voting 10, as follows:

[Roll No. 425]

AYES—104

- Allard Hansen Quillen
Baker (LA) Hastings (WA) Ramstad
Barcia Hayes Rogers
Barton Hayworth Rohrabacher
Bilirakis Hefley Roukema
Brewster Herger Royce
Bryant (TN) Hilleary Salmon
Bunning Hoekstra Sanford
Burton Inglis Scarborough
Canady Jacobs Schaefer
Chapman Johnson, Sam Seastrand
Chenoweth Jones Sensenbrenner
Christensen Kaptur Shadegg
Coble Kim Shuster
Coburn Kingston Skelton
Collins (GA) Klug Smith (MI)
Combust Kolbe Smith (WA)
Condit Largent Solomon
Cooley Lewis (KY) Souder
Cox Lincoln Stearns
Cunningham Longley Stenholm
Danner Manzullo Stockman
DeFazio McInnis Stump
Doolittle McKeon Talent
Duncan McKinney Tanner
Ensign Metcalf Tate
Everett Mica Tauzin
Fields (LA) Myrick Taylor (MS)
Funderburk Neumann Traficant
Geren Ney Wamp
Goodlatte Norwood Watts (OK)
Green Pastor Weller
Gutknecht Peterson (MN) Whitfield
Hall (TX) Petri Young (FL)
Hancock Pombo

NOES—320

- Abercrombie Baesler Barrett (WI)
Ackerman Baker (CA) Bartlett
Andrews Baldacci Bass
Archer Ballenger Bateman
Arney Barr Becerra
Bachus Barrett (NE) Beilenson

- Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Bileley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Burr
Buyer
Callahan
Calvert
Cardin
Carmichael
Castle
Chabot
Chambliss
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Conyers
Costello
Coyne
Cramer
Crane
Crapo
Creameans
Cubin
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Graham
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastert
Hastings (FL)
Hefner
Heineman
Hilliard
Hinchev
Hobson
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Klecza
Klink
Knollenberg
LaFalce
LaHood
Lantos
Latham
LaTourrette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McIntosh
McNulty
Meehan
Meek
Menendez
Meyers
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Sisisky
Skaggs
Skeen
Slaughter
Smith (NJ)
Smith (TX)
Spence
Spratt
Stark
Stokes
Studds
Stupak
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Towns
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
White
Wicker
Williams
Wilson
Wise

- Wolf
Woolsey
Wynen
Wynn
Young (AK)
Zeliff
NOT VOTING—10
Camp
Collins (MI)
Furse
Gunderson
Mfume
Moakley
Reynolds
Torricelli
Yates
Zimmer

□ 1924

Mr. RUSH and Mr. VOLKMER changed their vote from "aye" to "no."

Messrs. KIM, LEWIS of Kentucky, METCALF, WHITFIELD, and GOODLATTE, Mrs. CHENOWETH, and Messrs. BURTON of Indiana, DOOLITTLE, EVERETT, BARTON of Texas, and INGLIS of South Carolina changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. WILSON] as a substitute for the amendment offered by the gentleman from Florida [Mr. MILLER].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MILLER], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MS. JACKSON-LEE

Ms. JACKSON-LEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE: Page 19, line 16, strike "\$10,000,000" and insert in lieu thereof "\$11,500,000".

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order against the amendment.

Ms. JACKSON-LEE. Mr. Chairman, first let me applaud the work that has been done by the mutual chairperson/ranking member.

□ 1930

A parable has been heard by many of us that says if you give a man a fish, he will ask for another fish tomorrow. But if you teach him how to fish, then he will be independent and be able to make a way for himself in years to come.

I rise today to offer an amendment to H.R. 1868, which would increase the funding for the African Development Foundation in the fiscal year 1996 from \$10 to \$11.5 million. This is a modest increase, Mr. Chairman, but it will help the African Development Foundation to continue its important work in 20 African countries.

Established in 1980, the African Development Foundation is a progressive organization that delivers funds directly to self-help organizations in economically undeveloped countries in Africa. Since no funds are channeled through any foreign government, the ADF avoids any bureaucratic patterns in dispensing funds.

This organization has been instrumental in expanding ties and developing good will among the citizens of the United States and the citizens of many African countries. I understand that every Federal program and every agency is now under extensive review under this concept of responding to the Federal budget deficit. However, I would simply say in keeping in mind about teaching a man or woman to fish, and helping to feed hungry children and improving the development opportunities in developing nations, that this amendment needs and deserves consideration. I would ask my colleagues to consider it, because it adds to the funding to help impact the real lives of people in our developing nations.

I would simply say, Mr. Chairman, that I hope we are able to come to a reasoned response and compromise for the African Development Foundation which will be strengthened by these additional dollars of \$1.5 million. It will help strengthen the economies, enhance the number of people that can benefit from the grants awarded to agricultural cooperatives, youth groups and self-help organizations.

These groups have been effective stewards of the grants that range from 20,000 to 250,000. That is the most important part of ADF. It provides small amounts of money that are leveraged into large amounts of activity and success. My amendment is important to the African Development Foundation and to the people of Africa and to millions of Americans who support adequate development assistance.

Again, it reinforces the point, Mr. Chairman, that if you give a man a fish, or a woman, they will ask for another fish tomorrow. But teach them to fish, and they will maintain that opportunity for development for years to come.

I ask my colleagues to support this modest amendment to make a statement for enhancing opportunity for our African countries and their self-help organizations.

The CHAIRMAN. Does the gentleman from Alabama seek recognition on his point of order?

Mr. CALLAHAN. Mr. Chairman, I would like to withdraw my point of order and accept the gentlewoman's amendment.

Mr. WILSON. Mr. Chairman, there is no objection to the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title II?

The Clerk will designate title III.

The text of title III is as follows:

TITLE III—MILITARY ASSISTANCE  
FUNDS APPROPRIATED TO THE PRESIDENT  
INTERNATIONAL MILITARY EDUCATION AND  
TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$39,000,000: *Provided*,

That up to \$100,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any high income country on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: *Provided further*, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military, and may also include individuals who are not members of a government: *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded military education and training.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$3,211,279,000: *Provided*, That funds appropriated by this paragraph that are made available for Israel and Egypt shall be made available only as grants: *Provided further*, That the funds appropriated by this paragraph that are made available for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not to exceed \$475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, \$64,400,000: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed \$544,000,000: *Provided further*, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: *Provided further*, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed \$224,000,000 for Greece and shall not exceed \$320,000,000 for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification

procedures of section 515 of this Act: *Provided further*, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Peru, Liberia, and Guatemala: *Provided further*, That none of the funds appropriated or otherwise made available for use under this heading may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used by such country primarily for counternarcotics activities: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That not more than \$100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: *Provided further*, That not more than \$24,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than \$355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1996 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$68,300,000.

The CHAIRMAN. Are there amendments to title III?

AMENDMENT OFFERED BY MRS. LOWEY

Mrs. LOWEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. LOWEY: Page 23, line 19, insert "or Indonesia" after "Zaire".

Page 23, line 21, strike "Indonesia and".

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Alabama reserves a point of order.

Mrs. LOWEY. Mr. Chairman, I rise today to correct a critical flaw in the bill before us. In 1992, we voted to end all international military education and training assistance for Indonesia because of that country's abysmal human rights record and their continued oppression of the people of East Timor.

Regrettably, this bill reinstates IMET funding for Indonesia, which has shown no significant improvement in its human rights record since the IMET ban was imposed. In fact, the State Department's own human rights report notes that there have been only cosmetic changes in East Timor.

Violent crackdowns on peaceful demonstrations in East Timor continue. First, innocent protesters are massacred and then the military rounds up and jails the witnesses so that the world will never know what happens. Is this the type of oppression we want to be rewarding with U.S. assistance? I don't think so.

The State Department report goes on: "Extrajudicial arrests and detention, torture of those in custody, and excessively violent techniques for dealing with suspected troublemakers continued" throughout Indonesia. "The Armed Forces continued to be responsible for the most serious human rights abuses."

In November 1991, in the city of Dili, the Indonesian military slaughtered 200 people in full view of news cameras. Sixty-five people are still unaccounted for, and yet the Indonesian Government does not apologize for these killings. On the contrary, the regional commander of East Timor, Gen. Herman Mantiri, said: "We don't regret anything. What happened was quite proper. They were opposing us."

Mr. Chairman, Indonesia's policy in East Timor is about the oppression of people who oppose Indonesia's right to torture, kill, and repress the people of East Timor. It is about the 200,000 Timorese who were slaughtered by the Indonesian military when they invaded in 1975. Two-hundred thousand killed out of a total population of 700,000. It is about genocide.

The language in this bill is the first step toward releasing pressure on the Indonesian Government to clean up its act. Without passage of this amendment, we will continue to support a government that laughs in the face of the human rights principles that we hold dear.

We, in Congress, made the right decision in 1992 when we cut off all IMET funding to Indonesia. But we must not go backward now. I urge my colleagues to support this amendment and send a message to Indonesia that we will not tolerate the oppression of the Timorese people.

The CHAIRMAN. Does the gentleman from Alabama [Mr. CALLAHAN] seek recognition on his point of order?

Mr. CALLAHAN. Mr. Chairman, I continue to reserve my point of order.

Mr. WOLF. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am really sorry this amendment has to be offered. I would have hoped that the Indonesian Government would have learned, and this is an opportunity I think to send a message to them. The amendment offered by the gentlewoman from New York [Mrs. LOWEY] is a good amendment. The Indonesian military should not be rewarded for their conduct with the American IMET dollars. Congress and the American people value human rights and dignity, and we should not be timid about conveying that message to countries that do not share our basic concerns. We should be prepared to use bills like this to send that message.

Mr. Chairman, the State Department's country reports on Human Rights Practices for 1994 reports, "The Indonesian Government continued to commit serious human rights abuses and in some areas, notably freedom of expression, it became markedly more oppressive, departing from a long-term trend toward greater openness. The most serious abuses included the continuing inability of the people to change their government and harsh repression in East Timor."

I would tell the Members of the body, if they could have seen the film and talked to the men and women that were there, what the Indonesian army did to these people was brutal, absolute persecution of the Catholic Church. The Congress should be concerned with these issues, and I strongly urge the Members of the body to support this amendment. Hopefully this will send a message to Indonesia, where by next year things will be good and this will not be a problem.

Mr. CALLAHAN. Mr. Chairman, I continue to reserve my point of order.

Mr. ANDREWS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York [Mrs. LOWEY]. I think she makes a persuasive and compelling case. The ongoing violation of human rights in Indonesia is unsustainable in a moral way, and certainly not supportable in a budgetary way.

It is my understanding that shortly the Chair will be asked to rule on a point of order with respect to legislating on an appropriations bill. Let me just make this comment: Presumably the Chair will consider whether the proper time to offer the Lowey amend-

ment would have been during the authorization bill. During the authorization bill, we labored under a rule that ate up a considerable amount of time on some very important amendments, that ate up a long, long time of debate. There were dozens and dozens of amendments like this one that could have been offered that were not heard during that debate.

Now, it seems to me that this kind of consideration of process puts the Members of this House in a Catch-22 situation. You cannot legislate on an appropriations bill by attaching conditions to spending like this. That is our rule. And then you are supposed to pursue it in an authorization bill. But when the authorization bills come up, we have unduly restricted rules that cut off debate in an arbitrary time and never permit this kind of thing to come up.

The real shame, Mr. Chairman, the real shame that is being raised by Mrs. LOWEY's amendment, is that such a meritorious and critical debate will never really happen and never really get a vote because of the way the rules of the House are being manipulated. I think that is a shame.

Mr. CALLAHAN. Mr. Chairman, I continue to reserve my point of order.

Mr. REED. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment and commend the gentlewoman from New York [Mrs. LOWEY], and the gentleman from Virginia [Mr. WOLF], for their leadership in proposing this amendment. Indeed, I attempted to offer a similar amendment to H.R. 1561, the Foreign Aid Authorization bill, but as my colleague from New Jersey explained, because of this construction of the rule, I was effectively prevented from doing this.

In 1992, my former colleague from Rhode Island, Mr. Machtley, offered successfully an amendment to cut training for funding for the training of Indonesia military in response to flagrant abuses of human rights in East Timor. When Congress cut this money, it send two strong messages: First, to the Government of Indonesia that the U.S. will not tolerate any more human rights abuses by the military in East Timor, and, second, to the East Timorese, who were finally given hope that someone had listened to their call for help and provided them a voice in the face of oppression.

Today we are debating a bill which effectively restores this money. That might be appropriate if the conditions in East Timor had improved, but in fact they have not.

I would like to emphasize that this amendment is not about the efficacy of American military training and the value of exposing foreign military personnel to our professional military instruction. No, this is about sending a strong signal concerning the abuse of human rights in East Timor.

In June and July of last year, Indonesian troops committed acts of sac-

church and clergy. The courts are still sentencing people to long prison terms for speaking to journalists or sending information critical of the government. On January 12 of this year, Indonesian soldiers killed six men outside Dili. These six civilians were shot in retaliation for a guerrilla attack the day before, but sources present indicate that the six were never involved in the attack.

At a joint hearing before the International Relations Subcommittee on Asia and the Pacific and International Operations and Human Rights on March 16, the Director of the Human Rights Watch stated, "In East Timor, violations of fundamental rights have been especially severe, and have worsened dramatically since the APEC summit meeting in Djakarta last November."

When we are cutting aid to Africa and are cutting many, many worthy programs, it seems incongruous we would be giving money in the face of these human rights abuses.

I would urge my colleagues to accept the amendment offered by the gentlewoman from New York [Mrs. LOWEY]. I would urge them to send a strong signal to the Government of Indonesia that we will not tolerate further human rights abuses in East Timor.

A headline in the New York Times in November of last year stated, "Timorese worry world will now forget them." Mr. Chairman, I urge my colleagues not to forget them, to stick to the precedent we have now established. We have taken a stand. We can make a difference. Mr. Chairman, I urge my colleagues to support the Lowey-Wolf amendment.

□ 1945

Mr. CALLAHAN. Mr. Chairman, I reserve my point of order on the amendment.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise as a supporter and a true believer in the International Military Education and Training program. But I am compelled, like my colleagues who have just spoken, by the overwhelming evidence to support this amendment offered by the gentlewoman from New York [Mrs. LOWEY], and the gentleman from Virginia [Mr. WOLF].

This is a good program, but this is the wrong time and the wrong place for IMET. For 3 years, Congress has denied IMET to Indonesia. A careful look at the record shows that this is no time to shift this policy. When Congress, at the urging of my predecessor, Ron Machtley, revoked Indonesian participation in IMET, a clear and unmistakable message was sent. We will no longer tolerate an intolerable situation. The human rights abuses in East Timor must end. Simply put, the abuses have not ended. IMET should not be restored.

This amendment is most appropriate, considering recent assessments of

human rights conditions in Indonesia. To quote from the State Department's 1994 human rights report,

The Indonesian government continued to commit serious human rights abuses and in some areas, notably freedom of expression, it became markedly more repressive. The most serious abuse included the continuing inability of the people to change their government and harsh repression of the East Timorese dissidents. Restoring IMET at this time would run counter to these findings and would undermine the moral force of these findings.

We have in Indonesia a situation where the benefits of IMET would be lost. The corruption is too deep. The violence is too extreme. And the repression is too severe for us to hold any hope that it can be tempered through education and training. IMET is designed to support democracy and military professionalism, and we cannot support what does not already exist.

U.S. aid cannot fill this vacuum. IMET is a powerful and effective tool. It must be used in the right way at the right time. This is not the time. Only through continued pressure will we be able to have the opportunity for an improvement in East Timor. Now is not the time for the United States to send conflicting messages on this issue.

Mr. Chairman, I urge the adoption of the Lowey amendment, and I ask my colleagues to do the same.

Mr. CALLAHAN. Mr. Chairman, I reserve my point of order on the amendment.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Lowey-Kennedy amendment and urge our colleagues to support them. First, before speaking about that amendment, I want to commend our chairman, the gentleman from Alabama [Mr. CALLAHAN], and the chairman of the full committee, the gentleman from Louisiana [Mr. LIVINGSTON], as well as our ranking members, the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Texas [Mr. WILSON], for their leadership in bringing this very strong bipartisan bill to the floor.

As a member of the subcommittee, I want to personally thank Mr. CALLAHAN for his exceptional leadership his first time out with this bill. He has consulted individually and personally with members of the subcommittee, listened to our concerns and did the best that he could do under the circumstances of our very limited allocation. That allocation was limited not because our chairman of the full committee, Mr. LIVINGSTON, did not work hard to get us a better allocation but just the realities of the budget resolution.

It is in that spirit of bipartisanship and admiration for our chairman that I hope that we can pass this not perfect but best possible bill we could get on the floor today. I hope when we do pass it today or tomorrow that it will have the Lowey-Kennedy language in it.

To get to the point about Indonesia, because I know time is of the essence, it is a close call on the enhanced and expanded IMET. Many of us have had some very serious concerns about how IMET funds have been used throughout the world. And in some countries, it underwrites the brutality of authoritarian regimes with U.S. taxpayers' dollars. The expanded IMET is supposed to be used to teach human rights training, democratic institutions, the role of a military in a democratic society. And it would be hoped that that is what these purposes would be in Indonesia. And I commend the gentlewoman from New York [Mrs. LOWEY] and the gentleman from Rhode Island [Mr. KENNEDY] for bringing this resolution to the floor because it focuses just on what expanded IMET is and why if we would continue to grant it, if we would grant it to Indonesia, why it should be used specifically for those purposes.

The concern of some of us is that funds sent to a country are fungible and if the regime happens to be authoritarian and a violator of human rights, then we are subsidizing that even with our good intentions.

Others today have talked about what the situation is in Indonesia in terms of human rights. I will say that I will join with some others in quoting the 1995 State Department human rights country report which calls Indonesia "strongly authoritarian" and notes that "it became markedly more repressive" during 1994 as the "government continues to commit serious human rights abuses."

Last December, a United Nations Special Rapporteur noted, the conditions that allowed the 1991 Santa Cruz killings to occur are still present. In particular, the members of the security forces responsible for the abuses have not been held accountable and continue to enjoy virtual impunity.

The Rapporteur "clearly sensed terror among many East Timorese he had the opportunity to meet." The situation has gotten worse during the first half of 1995.

That is all to say, Mr. Chairman, that I think that we should have the opportunity to discuss this issue. If the Chair has a point of order that we cannot pass it here today, at least we should be sending a message to the authoritarian regime in Indonesia that if they get this IMET, it is to be for enhanced, that is, training their troops in human rights and training their military in the proper role of the military in a democratic society.

With that, Mr. Chairman, I again commend our chairman, Mr. CALLAHAN, and the ranking member, Mr. WILSON, for their great leadership on this legislation.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words. Before pressing my point of order, I want to rise in opposition to the amendment and speak to it just briefly.

I do rise in opposition to the amendment of the gentlewoman from New York, although I know she is offering it because it is based upon her own strongly held convictions as well as the other speakers who have spoken tonight. I appreciate the strong concerns of the gentleman from Virginia and the gentlewoman from California, the gentleman from Rhode Island. But as the gentlewoman from New York knows, under our bill, Indonesia will not be eligible for IMET training.

Under H.R. 1868, Indonesia will only be able to receive human rights training under the expanded IMET training, as it is called. Expanded IMET is specifically designed to help improve human rights practices of the military. This is exactly the kind of program I think the gentlewoman from New York should be supporting.

Furthermore, I would note that the House Committee on International Relations has already recommended expanding IMET for Indonesia, and included it in the authorization bill passed by the full House on June 8.

Also I note that because of the concern of the gentlewoman from New York, the committee report requires that all candidates for expanded IMET be carefully screened to make certain they have not been involved in past human rights abuses. I would hope under those circumstances that the gentlewoman would reconsider offering her amendment in light of the committee's action on this very important amendment.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, before I do, I want to thank the gentleman again and commend him for his outstanding leadership of this committee.

It has really been a privilege for me to work with the gentleman. He has been open. He has worked in a bipartisan way. He has approached each issue in a very thoughtful manner. I want to thank the gentleman, again, and the ranking member, the gentleman from Texas [Mr. WILSON].

In response to the gentleman's request, I do want to ask unanimous consent to withdraw the amendment. Mr. Chairman, we will be watching expanded IMET for Indonesia over the next year. And if the human rights records does not improve, we will work to cut off all IMET funding next year.

Mrs. LOWEY. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The CHAIRMAN. Are there other amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

#### TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

##### FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL FINANCIAL INSTITUTIONS CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock for the General Capital Increase, \$23,009,000, to remain available until expended.

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), \$50,000,000, to remain available until September 30, 1997.

##### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed \$743,900,000.

##### CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$575,000,000, for the United States contribution to the tenth replenishment, to remain available until expended.

##### CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, \$25,950,000.

##### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$1,523,000,000.

##### CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, \$13,200,000, to remain available until expended.

##### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$847,000,000.

##### CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), \$167,960,000, to remain available until expended.

##### CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$69,180,000, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended: *Provided,*

That of the amount appropriated under this heading not more than \$54,600,000 may be expended for the purchase of such stock in fiscal year 1996.

##### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$161,400,000.

##### NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, \$56,250,000, to remain available until expended.

##### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed \$318,750,000.

##### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$155,000,000: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: *Provided further*, That not more than \$25,000,000 of the funds appropriated under this heading may be made available to the UNFPA: *Provided further*, That not more than one-half of this amount may be provided to UNFPA before March 1, 1996, and that no later than February 15, 1996, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1996: *Provided further*, That any amount UNFPA plans to spend in the People's Republic of China in 1996 about \$7,000,000, shall be deducted from the amount of funds provided to UNFPA after March 1, 1996 pursuant to the previous provisos: *Provided further*, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds: *Provided further*, That up to \$13,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) for administrative expenses and heavy fuel oil costs associated with the Framework Agreement: *Provided further*, That additional funds may be made available to KEDO subject to the regular notification procedures of the Committees on Appropriations.

The CHAIRMAN. Are there amendments to title IV?

AMENDMENT OFFERED BY MR. DE LAY

Mr. DELAY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DELAY: Page 29, line 1, strike "\$50,000,000" and insert "0".

Mr. DELAY. Mr. Chairman, the amendment I am offering today with my colleague, the gentleman from Arizona, eliminates funding for the Global Environment Facility or the GEF.

The GEF was created in 1991 to pay cash to Third World governments to stop local people from escaping poverty through development that could harm the environment at some point in the future—a difficult concept to grasp when you consider that the everyday concerns of these countries are not about climate change but survival, clean drinking water and reduced food spoilage.

In 1992, the GEF was made the funding mechanism to help poor countries finance projects in compliance with the environmental conventions agreed to at the Rio summit dealing with such scientifically questionable—yet trendy—environmental "calamities" such as global warming and biodiversity loss.

I say to my colleagues that what this program really is, is a global giveaway for poor countries—it gives developing countries a refund for the economic restrictions imposed on them in the UN "biodiversity" and "climate change" conventions. This program is flawed because its fundamental design is wrong.

A scathing report on the GEF's activities—called for after loud complaints from environmental groups and donor countries to the GEF—basically found that the GEF's operations are "dysfunctional" and its accountability is ill-defined.

The report found that the fundamental purpose of the GEF, that being dedicating funds to climate change, biodiversity, international waters, and ozone depletion is "rather obscure in nature."

The GEF has also been severely criticized as a "green" slush fund for the World Bank. On this, the independent report concluded that the World Bank controls the lion's share of the GEF's resources and that is fundamentally using GEF as a device to make its own regular projects look "greener" and to mitigate criticism alleging World Bank insensitivity to environmental concerns.

Take a look at how the GEF is actually performing its obscure role: you'll find that it has done more to upset the environmental and social balances in developing countries than to clean things up. As of last year, over half of the GEF's projects had provoked clashes over forced resettlement of displaced local people.

The report concluded that the premise of the GEF's mandate—putting emphasis on global environmental problems over local ones—is a "serious weakness." The GEF claimed it was re-

forming these abuses by including locals in the decision-making process but the independent GEF report called this claim a "biased exaggeration, if not falsification."

The independent review led to a restructuring process that was supposedly completed in March of 1994. And my colleagues who support this institution will probably argue that the GEF has made progress since this report. But I submit to my colleagues that such assertions serve little more than the political purposes of those who seek the "environmental" cover of the GEF.

According to Probe International, a Canadian environmental group that has monitored the GEF for four years, "The restructured GEF remains as flawed as its predecessor and, as a closer examination of some of its projects shows, does nothing to protect the global environment."

Despite such obvious reasons to be extremely concerned with sending taxpayer dollars to this operation, the Administration pledged last March to send a total of \$430 million to the GEF over four years—the largest amount of any donor nation.

In FY95, the U.S. gave the GEF another \$90 million. This year's request from the Administration is a completely unsupportable \$110 million. You would think that the Administration believes the GEF has been an unheralded success.

I commend the chairman of the Foreign Operations subcommittee for recognizing the extremely questionable activities of this project and reducing the funding for the GEF to \$50 million in this bill. But, I submit to my colleagues that the GEF is a fundamentally flawed and unaccountable organization and certainly not an area where this Congress should be allocating scarce tax-dollars.

Not only does eliminating funding for the GEF make sense and save the taxpayers hundreds of millions of tax dollars, but it will also have the effect of slowing the implementation of global environmental policies that do more to restrict economic opportunity in poor countries than to promote environmental conservation.

The only responsible move for this Congress is to put a halt to the millions of taxpayer dollars we send to this flawed institution. I urge my colleagues to support this effort.

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Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, to rise in opposition to the gentleman's amendment is certainly a first for me, because we have voted 99 percent of the time together since we first came to this House 10 years ago.

However, during the process of the responsibility I assumed on this subcommittee as its chairman, I think it became very, very important that we recognize that this subcommittee has a

responsibility to this country and to the world. If we are going to be a participant in the world of international affairs, we are going to have to recognize that global environment has to be a part of that. In trying to put together the bill, we did assemble a bill that was very fragile. Each side compromised. I gave a little, the minority gave a little. We let everyone have as much input as we possibly could.

Mr. Chairman, as the gentleman from Texas [Mr. DELAY], will recognize, we cut the facility from \$110 million to \$50 million. I thought that was a compromise. I cannot, as eloquently as some who may follow me, stand up and defend the GEF. I can defend the fragile agreement that we have, the agreement that I put together that says if we will create child survival funds, if we will place our priorities on child survival, if we will reduce the level of overall spending, then I would compromise and go along with this request, provided they let me cut it from \$110 million down to \$50 million.

Therefore, I commend the gentleman for the message that he gave, but I reluctantly rise in opposition to his amendment.

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. It is with great reluctance and in admiration for the maker that I rise to oppose his amendment to strike the additional funds over and above the funds the committee has already struck from the GEF.

Mr. Chairman, I think it is important for our colleagues to know, and many are very familiar and have worked on the Global Environmental Facility, otherwise known as GEF, that it is a multilateral fund dedicated to the preservation of the global environment. It funds projects that help developing countries deal with environmental problems that affect all countries, including the United States.

Indeed, we have heard over and over again that environmental degradation and air pollution and water pollution know no boundaries. Effects of development, such as loss of the forest and wild species, ozone depletion, and pollution of international waters, are obviously not limited to the country where they occur.

Mr. Chairman, the Bush and Clinton administrations both supported the GEF because meeting these threats is so important. Projects funded by the GEF help prevent the loss of forests and threatened plant and animal species. They help prevent pollution of international waters, threatening fish species on which the world depends.

Mr. Chairman, it is interesting to note what other countries are contributing to the GEF, because this is an international effort, not just one funded by the U.S. Other donors' pledges are related to ours in a burden-sharing arrangement. For example, Japan recently increased GEF funding over a 4-year period to \$500 million, substantially more than the United States

even before the recent reduction. Germany will give \$240 million over the same period. Further reducing GEF funding risks unraveling the GEF, and with it our efforts to bring developing countries into the global effort to safeguard our environment.

Mr. Chairman, the GEF operates the three implementing agencies. Our colleague has pointed out some concerns that he had about the way the GEF has functioned, but I think he is aware, and if not, I am pleased to inform him that the governance of the GEF has been changed substantially since criticisms were lodged against it. The structure and governance of GEF have been criticized in the past, it is true.

In response to an independent evaluation of the GEF pilot phase, which ended in December 1993, the GEF has been completely overhauled and restructured. Under U.S. leadership, a fully independent GEF Secretariat has been set up in Washington under the leadership of a U.S. citizen. A GEF council consisting of major donors, including the United States and developing countries' constituencies, is meeting four times annually to review project proposals, set policy, check implementing agency performance, and overall GEF effectiveness.

I go into this detail, Mr. Chairman, to point out that the overall governance of the GEF has been overhauled, very specifically. A comprehensive project monitoring system has been created. In addition, the GEF Secretariat consults biannually, and I think this is very important, because it gives transparency and public participation to it, to a wide range of environmental and indigenous groups.

Project development has been streamlined. There is strong U.S. economic interest involved as well. U.S. industries and consumers who have a substantial interest in conservation of biological and genetic diversity, with its myriad commercial application in production of food, fiber, and medicine, support the GEF. One fourth of all pharmaceutical prescriptions in this country contain active ingredients derived from plants, many of which exist only in tropical forest areas whose biodiversity values are facing rapid destruction.

By catalyzing technological advances in developing countries, the GEF helps expand export markets for U.S. firms. The GEF's international waters portfolio has potential to prevent marine pollution and to conserve some of the most economically and ecologically valuable species.

In conclusion, Mr. Chairman, I would like to just sum up and say whether it is for environmental reasons or economic reasons, or population reasons in terms of avoiding the problem of environmental refugees that could result if we do not stop some of the degradation that is happening in our environment, the GEF is a very good investment.

Mr. Chairman, our chairman, the gentleman from Alabama [Mr. CALLAHAN], under his leadership, the GEF was cut substantially, in recognition of the budget and fiscal realities that we had to face. However, the value that he placed on it I think is one that is appropriate in these tough fiscal times, and I would hope that the membership of this body would support the chairman's mark and reject the amendment proposed by the gentleman from Texas [Mr. DELAY].

Mr. SHADEGG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the amendment. It is with great respect, Mr. Chairman, that I rise to oppose the chairman of the subcommittee, the gentleman from Alabama [Mr. CALLAHAN], and with great respect for the proponent of this amendment, the gentleman from Texas [Mr. DELAY].

The truth is, as the gentleman from Alabama [Mr. CALLAHAN] said, we do have a responsibility to the global environment. As my colleague from the other side said, indeed, the Global Environment Facility may in fact be dedicated to preservation of the environment, but the simple truth is it is an unabashed failure. It has not done what it proposed to do.

Mr. Chairman, as a member of the Committee on the Budget, I rise to say enough is enough. We must have the strength to say no to continuing to fund bad programs, even if they are dedicated to worthy causes.

Last month the national debt of the United States grew by over \$1 billion per day. We simply cannot continue to leave that legacy to our children. We cannot leave it in the name of failed programs like the Global Environment Facility. Let me explain why I call it a failure, and why I call upon my colleagues to support the amendment offered by the gentleman from Texas [Mr. DELAY] and to oppose any amendments which simply reduce its funding.

Mr. Chairman, I hold before me a report prepared by an organization called Probe International, out of Toronto, Canada. Its title is "The World Bank's Persisting Failure to Reform." It was written by John Thibodeau, and it is dated May, 1995. It documents in its first section that the Global Environment Facility remains dysfunctional.

It says, and I quote, "The review" of this program "was as scathing in its evaluation" as possible, "revealing an organization that was fundamentally flawed and unaccountable. The review found that the reason for the existence of the Global Environment Facility was obscure, "that its operations were dysfunctional and its accountability ill-defined; that the concept of incremental costs was a serious weakness."

It concluded with the following words, and this is an independent review: "No further funds to new projects or programs should be made until such time as strategies, policies, concentration areas, priorities, criteria" have

been put in place. That is the conclusion of this report.

Let me tell the Members why. Is it in fact protecting the environment? It is not. Its record is fundamentally flawed. The report talks about "The Tana River Primate Reserve in Kenya, a \$6.2 million project to protect two Endangered Species Act of monkeys."

However, as my colleague pointed out, it is a failed proposal. It is a proposal to resettle 50,000 farmers of the Pokomo tribe. The GEF's desire to resettle this community, however, as is often the case, flies in the face of the evidence, the evidence that the Pokomo people not only co-existed with this endangered species and protected them for centuries, but also introduced them to Kenya, and when the danger to the environment of these monkeys became known, it was the Pokomo tribe that made it clear to the scientists.

Mr. Chairman, why does the GEF propose to move them? The report details the facts. In fact, by claiming that the local people are a threat to the monkeys, what is happening is the GEF is conveniently hiding the fact that there are two other failed World Bank projects that are hurting the real environment for these monkeys. The two projects are the Kiambere Dam and the Bura Irrigation Project, both World Bank projects that are over budget disasters, and have so radically altered the Tana River's flow that the future of the monkeys is in danger.

Mr. Chairman, the truth is the GEF is there to cover up and add a green tint to failed World Bank projects. In an environment such as we have today, where funds are so scarce, we simply cannot go on funding programs like the GEF.

This amendment is supported, because it would save \$50 million this year and \$400 million over the course of the next 4 years, by Citizens Against Government Waste, Citizens for a Sound Economy, the Small Business Survival Committee, the Competitive Enterprise Institute, Americans for Tax Reform, Coalitions for America, the National Center for Public Policy Research, the Environmental Policy Task Force, the Association of Concerned Taxpayers, Project 21, and Cato Institute.

Mr. Chairman, why do they all support it? Because it is an abject failure. In this age, we cannot continue to support an abject failure, even at the minimal level. While I commend the subcommittee chairman for reducing the funding from a level that was proposed to only the figure of \$50 million, it is time to zero this project in the waste and keep the monies where they belong, in the United States.

AMENDMENT OFFERED BY MR. WILSON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DELAY

Mr. WILSON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:



Amendment offered by Mr. WILSON as a substitute for the amendment offered by Mr. DELAY: On page 29 line 1, delete "\$50,000,000" and insert "\$40,000,000".

Mr. WILSON. Mr. Chairman, the gentleman from Texas [Mr. DELAY] has deleted \$50 million. We zero the entire enterprise. My amendment offered as a substitute would reduce the reduction in the bill by a further \$10 million. In other words, instead of reducing the entire \$50 million, I would reduce it by \$10 million, leaving \$40 million in the enterprise.

Mr. Chairman, the GEF as we have heard before, provides an insurance policy to avoid the cost of future environment degradation. The GEF promotes the use of technology, of which the United States is a leader. I could name all of the reputable companies that consult with the GEF, that work on ozone substitutes and that work in the biotechnology area.

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The Bush and Clinton administrations have supported the GEF over more expensive alternatives. The GEF was completely reorganized and overhauled in 1994, and I think that many of the problems that have been mentioned here today have already been addressed.

I would again suggest that the subcommittee, the Subcommittee on Foreign Operations, has already cut the GEF by 50 percent. The cut that I am proposing would add another 10 percent, which would mean a 60 percent cut in this multilateral organization that I think still shows great promise for the environment.

Mr. Chairman, I would move the substitute.

Mr. PORTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I strenuously oppose the amendment offered by my friend the gentleman from Texas. I believe a little history will help clarify for Members why providing funds for the GEF makes sense.

The Global Environmental Facility [GEF] was established in 1991 during the Bush administration for a 3-year pilot phase designed to identify innovative approaches to conservation—to determine what works and what does not. During the pilot phase, GEF was part of the World Bank, but was run in cooperation with the U.N. Development Program. In March 1994, at the end of the pilot phase, GEF became a free-standing international institution, designed to be arms length from existing international bureaucracies and able to articulate a clear global environmental agenda.

Much was learned after the pilot phase and appropriate adjustments were made. In 1993 and 1994, two environmental organizations, Conservation International and Natural Resources Defense Council, conducted a major evaluation of the GEF and made recommendations for the operational phase. GEF was overhauled and is now

technically first-rate, transparent to the public, and responsive to its donors.

Although some were skeptical early on, with the improvements that have been made every major environmental group now supports the GEF, and I have a letter here signed by 19 of them opposing the DeLay amendment. It may surprise you, though, to know that many major U.S. corporations also support the GEF. I have letters here from the chairman of the board of Intel, Dwayne Andreas of Archer Daniels Midland, and the vice chairman of the Mary Kay Corp. These corporations support GEF because it protects biodiversity, which they use to innovate in their fields, they sell environmental technology to countries for GEF projects, and they realize that protecting the environment is in our best interest as human beings.

In addition, companies like Bechtel, Brooklyn Union Gas, and Texaco from the gentleman from Texas' home State have participated in GEF projects. Dupont, GE, and Raytheon dominate the market for substitutes for ozone depleting chemicals. And Merck and Ciba-Geigy, pharmaceutical companies, depend on the biodiversity protected by GEF for their future.

As the gentleman from Texas knows, GEF mobilizes \$5 for environmental protection for every \$1 the U.S. contributes. For the United States, GEF is quite simply the most cost effective means of avoiding environmental degradation. No one—not AID, not the U.N. Environment Program—no one can do what GEF does.

There is precious little left in this bill to ensure that our children and grandchildren have the benefits of clean air and water and access to biodiversity for new drugs, chemicals and plant adaptations. The President's request for GEF was \$110 million, we appropriated \$90 million last year, this bill provides \$50 million, and the DeLay amendment would eliminate funding. I urge Members to oppose the DeLay amendment, provide the subsistence level of funding contained in this bill for the GEF and help protect these treasures for the future.

Mrs. LOWEY. Mr. Chairman, I rise in support of the Wilson amendment.

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I want to thank the gentleman from Arizona [Mr. SHADEGG] for his comments regarding the inappropriate policies that he referred to. However, I also want to note that in the report to which you referred, you specifically said, "until such time as new policies have been put in place." In other words, the funds should be cut until such time as new policies have been put in place.

I will not go on because you have heard so much from my colleagues this evening. But I think we have received a lot of information which clearly lays out changes that have been put in

place, and thereby the Wilson amendment, which says that we should cut it an additional \$10 million, I think is appropriate, and I would strongly oppose the amendment of the gentleman from Texas [Mr. DELAY] and the gentleman from Arizona [Mr. SHADEGG] which would cut out all the money.

We have heard this evening that the GEF secretariat consults biannually with a wide range of environmental and indigenous groups. We have heard that this sort of participation is unique to the GEF among multilateral institutions. As a result, environmental groups like the NRDC now endorse the GEF and support continued strong U.S. participation. Project development procedures have been streamlined. There has been extensive consultation with communities affected by GEF projects, and that is now required for every project.

Mr. Chairman, as this report suggests, there have been policies and procedures put in place to ensure that this money is spent wisely.

We have also heard that this has been supported by the Bush administration and the Clinton administration. I would like to add my support to the Wilson amendment and encourage my colleagues to vote with me.

Mr. SHADEGG. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from Texas [Mr. WILSON].

Mr. Chairman, I understand the proposal of those who seek to defend this program. I understand they claim that the corrections have been made. The report I read from, I did not have time to note its date. The report is a report by an independent organization called Probe International based not out of the United States but out of Toronto, Canada, and is dated May 1995. The section of the report which I read was from the independent review. That review was concluded some time ago and it did point out the flaws which have been clearly acknowledged here, indeed the numerous flaws which have been clearly acknowledged in the GEF. But this is a current report which goes beyond that, and says that notwithstanding the claims of the environmental community, in point of fact the GEF is not doing the job correctly today. I suggest indeed it is not. I suggest that as President Clinton called upon America and said we can do better, indeed for those who are concerned about protecting the global environment, we can do far better than to add more money to a failed World Bank-dominated program, a program which puts money in the hands of the rulers of third-world countries and does not achieve its goals, a program which papers over World Bank projects which do serious environmental damage. I think it is important that this Congress have the courage to say "no," not the courage to say, "oh, it failed so let's give it a little less," but the courage to say "no."

With regard to my colleague from this side who said there is great corporate support for this proposal, let me suggest a fundamental flaw in that notion. When he says that many corporate interests in America support this idea and support funding for it, let me point out their hypocrisy. The truth is when polluters pollute, they should pay to clean it up, not the American taxpayer, and in this instance when he cites a series of American corporations who think it is a wonderful idea for us to take American tax dollars and to deal with third-world pollution, indeed, third-world pollution which they themselves may have contributed to, we set the cart before the horse. If the polluters have created the pollution, they should be made to clean it up, not the taxpayers of America, and not under a government program where you and I and my children and indeed with the debt we are creating, my grandchildren are compelled to pay to clean it up, that creates all the wrong incentives. Then the polluter has no motivation to clean up because the taxpayer is going to come along and bail him out. It simply is, as the report I have read from, which is a second report suggests, a failed program.

Mr. Chairman, let me simply conclude with this point. If the best that the proponents of GEF can do is to acknowledge its failure, is to acknowledge that a year ago the environmental community, including the Environmental Defense Fund, criticized this and acknowledged that it was a failure, if the best they can do is say, "Yes, it was poor before, but we've tried to improve, so give us, not \$50 million but \$30 million," I suggest we can, as Bill Clinton said, do better, and we can do better by abolishing the funding and creating a new program, a new program that in fact makes polluters pay for the pollution and does not require the American taxpayer to pay for their pollution or the pollution of other third-world governments.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Wilson amendment.

Mr. Chairman, I will try not to take the 5 minutes. I think it is important for those Members that are listening to understand what is going on here. It is obvious to me that the gentleman from Texas, my good friend, is trying to block zeroing out a failed agency because it has failed on a failed concept.

The gentleman from Illinois was right in pointing out that former President Bush went to Rio and worked on the Rio summit and committed us to certain things. Before the President left, many of us, and many of us in leadership urged the President not to go because this summit would lead to bad things.

This is a perfect example of proving us right. This is a feel-good organization that has no substance in its ability to clean up calamities as outlined in the Rio summit.

First of all, I would like to say to those that may not know, being a biologist and biochemist by education, I am here and stand here on the floor to tell Members that global warming and ozone depletion are not proven. They are not proven concepts. They are theories. No one, including the environmentalists, can say with certainty that this is a proven concept. This is a hope-that-it-does-not-happen concept. It has never been proven. This is a concept designed on computer models by environmental activists. Yet we are spending millions if not billions of dollars on a theory. That is why we were very concerned that Bush go to Rio to get involved in this kind of issue.

Yes, he signed a 3-year pilot. Well, the pilot has crashed. This does not work, it is a fundamentally flawed concept. Let me say to the Members that are interested in deficit reduction. We are not interested in "government-light" that is an example of the amendment of the gentleman from Texas. We are interested in looking at programs and those programs that can be done better and smarter, we want to do them better and smarter, thereby realizing savings. But for programs like the GEF that are fundamentally flawed and even environmental groups are saying it is flawed, we want to zero them out.

Members have to vote against the Wilson amendment in order to get to the DeLay-Shadegg amendment in order to zero it out.

Mr. Chairman, as far as the corporations, all those Members that have called for the end of corporate welfare, corporations support the GEF because GEF gives them green cover, and makes them look like they are environmentally sound. I am not here serving in this body to protect corporations and give them taxpayers' money to make them look a little greener. That is what GEF does.

Mr. Chairman, I am just saying, this is a flawed program, it has not proven itself at all, it is a flawed program trying to control a flawed theory. I urge a "no" vote on the Wilson amendment and a "yes" vote on the DeLay amendment.

Mr. WILSON. Mr. Chairman, I have been overwhelmed by the eloquence of my colleague, the gentleman from Texas.

Mr. Chairman, I ask unanimous consent to withdraw my substitute amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 2030

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the well-intentioned DeLay amendment. I find it very difficult, Mr. Chairman, to be here and watch the Global Environmental Facility be absolutely

terminated. It went on a committee level from \$110 million down to \$50 million, and now to get rid of it completely I think is absolutely inappropriate and would be devastating.

As one of the founding members of a group called GLOBE, Global Legislators for a Balanced Environment, I must speak up for a multilateral fund that was begun under the Bush administration and has had continued support by the present administration. Operating through three implementing agencies, the World Bank, the U.N. Development Programme, and the U.N. Environment Programme, the GEF plays a crucial role in influencing international environmental actions.

We have here a unique fund dedicated to the preservation of the global environment. Its projects include those in climate change, which affect crop-growing seasons, plant distribution, damage to coastal communities, and many others: ozone depletion, which if it increases will increase our exposure to ultraviolet radiation and the attendant threat of malignant melanoma; pollution of international waters, which are already depleting our fish species, loss of forests, plants, and animal species; and the list goes on.

Mr. Chairman, the United States does not stand alone in supporting the GEF. With the proposed reduction to \$50 million, we will be going against the international mainstream. Japan has increased their contribution to \$500 million over a 5-year period, and Germany will give \$240 million over the same period.

To bow out of this important World Bank program completely is to abdicate our responsibility, and I believe it will be very counterproductive. Why do I feel this way? Because the GEF is protecting the environment and biodiversity where it is most valuable and most threatened, in the developing countries of Africa, Asia, and Latin America.

Frankly, if this attempt to further reduce the funds, to eliminate them, is a criticism of past governance, this has already been addressed. Under U.S. leadership, a fully independent GEF secretariat has been set up in Washington under the leadership of a U.S. citizen. A comprehensive project monitoring system has been created under this secretariat to ensure that projects meet cost and performance goals from start to finish. Many of these management changes are unique to the GEF among multilateral institutions.

To further reduce funding of the Global Environmental Facility would be to jeopardize bringing developing countries to the global effort to safeguard our environment. Really, too much is at stake. I strongly urge my colleagues to support the GEF, it has already been reduced to the extent it is determined in the bill, and to vote against the DeLay amendment.

As Shakespeare said, "To nature none more bound," and we must remember that.

Mr. GILCHREST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reluctantly rise against the amendment offered by the gentleman from Texas [Mr. DELAY]. But I would like to speak for just a few minutes on the positive impacts of the Global Environmental Fund.

A number of my colleagues have mentioned a number of things here about tropical rain forests, global fisheries, biological diversity, global warming, ozone depletion, and things like that. These are not abstract concepts. These are not things that are proven beyond a shadow of a doubt to have impact on our Nation or the world as a whole.

When we are dealing with scientific realities, there are always certain scientific uncertainties, but I want to start from this list and make a couple of comments.

The nations of the world's forests, the rain forests of the world, are a storehouse of medical potential breakthroughs that will not only benefit us as citizens today, but future generations to come. What are the major pharmaceutical companies of the world, especially in the United States, American companies included, doing in tropical rain forests now? I will give you one example.

Merck & Co. has signed an agreement partially through the link with the Global Environmental Fund to bring these two countries, the United States and Costa Rica, together. Costa Rica has decided to set aside 25 percent of their entire country so a U.S. pharmaceutical firm can go down there and study the biology and the biodiversity of that country's species, flora and fauna, that means the animals and the plants, to try to extract chemical agents to cure diseases around the world that are becoming resistant to antibiotics today.

These are going to be the cures for tomorrow. What does that mean to Merck & Co. as a result of this connection? It means literally billions of dollars.

So if we are looking at the Global Environmental Fund and saying that it is not worth the few dollars that we are going to put into it, talk with the pharmaceutical companies of this country and they will tell you it is worth billions for Merck. It is worth hundreds of billions for the other pharmaceutical companies in this country and for the emerging biotechnology companies of this country.

The global fisheries. If we just looked at the United States, 70 percent of the commercial fish that we harvest are spawned in tidal estuaries. What does GEF, the Global Environmental Fund, do? It helps other countries realize the necessity of protecting their tidal marshes for the main protein source of the entire world. So for the few investment dollars that we put into GEF, the Global Environmental Fund, we reap huge profits.

What about biological diversity in the first place? You cannot name a disease in this country that does not have a potential cure as a result of finding some chemical agent in some species around the planet. That is just as a result of our understanding for renewed molecular technology advancements in this country today.

From an endangered species called the rosy periwinkle, a small little endangered flower, they extracted a chemical agent that now cures or sets aside 80 percent of childhood leukemia. Why is this particular plant important? Because it cures disease. Also, we have not been able to synthesize that chemical agent, so we need that particular plant.

Whether it is heart attacks, high blood pressure, cancer, glaucoma, a whole range of diseases, we are finding agents in particular plants for these particular diseases to be cured.

The Global Environmental Fund is a small investment, folks, for a major discovery. Global warming, has it been proved? No. Has it been disproved? No. But I will tell my colleagues, the major scientists of this country, if we talk to an independent scientist from Harvard or Cornell or Yale or whatever that is not linked with any environmental group, they would say, "Hedge your bets, it might be happening."

What about ozone depletion? Is there an increase in the incidence of skin cancer? Are doctors telling you to stay out of the sun? The answer is yes. I reluctantly ask my colleagues to vote no on the amendment.

AMENDMENT OFFERED BY MR. PORTER TO THE AMENDMENT OFFERED BY MR. DELAY

Mr. PORTER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER to the amendment offered by Mr. DELAY:

At the appropriate place, strike "0" and insert in lieu thereof "\$30,000,000".

Mr. PORTER. Mr. Chairman, I will not take 5 minutes because I have already spoken on the DeLay amendment, but while I was off the floor, I understand that the gentleman from Texas [Mr. WILSON] had withdrawn his amendment at \$40 million. I simply would like to offer this amendment for the consideration of the Members, where the DeLay amendment would be reduced from zeroing out GEF so that it would leave \$30 million in that account.

Mr. SALMON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I see some great progress being made here. I understand it started at 110 million then it was at 50, then at 40, now at 30. I think we are almost there.

But I would like to say this: I have heard the evidence on both sides of the equation, and other than the side that wants to preserve funding saying, "Trust me, I am from the Government, I am here to help you," I have not found any compelling reasons to support this boondoggle.

I support the efforts of an impressive list of people and groups that support the amendment put forth by the majority whip and the gentleman from Arizona [Mr. SHADEGG]. These include Grover Norquist's group, Americans for Tax Reform, the Cato Institute, Citizens for a Sound Economy, the Competitive Enterprise Institute, and a host of other responsible groups. The GEF is a global giveaway that cannot be justified, particularly given our Nation's fiscal crisis, and it has even failed its stated goal, improving the environment. The GEF should RIP.

Mr. SCARBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. SALMON. I yield to the gentleman from Florida.

Mr. SCARBOROUGH. Mr. Chairman, I think the environment won an important battle today as there was an extension on the moratorium for drilling off the coast of this country. That was something I supported. It was something other environmentalists supported. And as an environmentalist, though, I cannot rise and support something like this. Resources are so scarce in our battle for cleaning up the environment that we cannot continue to throw money away at a failed PR effort for the World Bank.

You now, Bismarck once said you can do anything with children so long as you play with them. Well, that is exactly what the World Bank is doing. They are playing a PR game here because they want to come off looking good.

If they want to spend their own money, that is fine, but when they spend our money for their own PR games, it is not only the taxpayer that loses, but it is the environment that loses. If we as a body decide that we need to spend money cleaning up the environment of this country, then let us make sure that we invest our dollars wisely. We cannot continue in this hoax, in this PR game.

Mr. Chairman, we should support the DeLay-Shadegg amendment and clean up this country for our children.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. SALMON. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, I thank the gentleman for yielding.

I just asked for this time to explain to the Members where we are. Even if we wanted to do the great things that the gentleman from Maryland claims that the GEF does, which I dispute, this is a waste of money, \$30 million. It will go to bureaucrats. It will go to the World Bank. It will not do anything.

So I urge the Members to understand the vote. The vote that I am urging is a no vote on the Porter amendment to the DeLay amendment. Defeat that and then vote for the DeLay amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER] to the amendment offered by the gentleman from Texas [Mr. DELAY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PORTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2 of rule XXIII, the Chair will reduce to a minimum of 5 minutes the timer for a recorded vote, if ordered, on the original DeLay amendment if there is no intervening business or debate following the 15-minute vote on the Porter amendment. This will be a 17-minute vote.

The vote was taken by electronic device, and there were—ayes 242, noes 180, not voting 12, as follows:

[Roll No. 426]

AYES—242

Abercrombie Forbes  
Ackerman Ford  
Andrews Fowler  
Baldacci Fox  
Barcia Frank (MA)  
Barrett (WI) Franks (CT)  
Bass Franks (NJ)  
Bateman Frelinghuysen  
Becerra Frost  
Beilenson Gejdenson  
Bentsen Gekas  
Bereuter Gibbons  
Berman Gilchrist  
Bevill Gilman  
Billray Gonzalez  
Bishop Goodling  
Blute Gordon  
Boehlert Goss  
Bonior Green  
Borski Greenwood  
Boucher Gutierrez  
Browder Hall (OH)  
Brown (CA) Hamilton  
Brown (FL) Harman  
Brown (OH) Hastings (FL)  
Callahan Hefner  
Cardin Hilliard  
Castle Hinchey  
Clay Holden  
Clayton Horn  
Clement Houghton  
Clinger Hoyer  
Clyburn Jackson-Lee  
Coleman Jefferson  
Collins (IL) Johnson (CT)  
Collins (MI) Johnson (SD)  
Condit Johnson, E. B.  
Conyers Johnston  
Costello Kanjorski  
Coyne Kaptur  
Cramer Kelly  
Danner Kennedy (MA)  
Davis Kennedy (RI)  
de la Garza Kennelly  
DeFazio Kildee  
DeLauro Kleczka  
Dellums Klink  
Deutsch Klug  
Diaz-Balart Kolbe  
Dicks LaFalce  
Dingell Lantos  
Dixon LaTourette  
Doggett Lazio  
Dooley Leach  
Doyle Levin  
Durbin Lewis (GA)  
Edwards Lincoln  
Ehlers Lipinski  
Engel Longley  
English Lowey  
Eshoo Luther  
Evans Maloney  
Everett Manton  
Farr Markey  
Fattah Martinez  
Fawell Martini  
Fazio Mascara  
Fields (LA) Matsui  
Filner McCarthy  
Flake McDade  
Foglietta McDermott

Tanner Tejada  
Thomas Thompson  
Thornton Thurman  
Torkildsen Torres  
Towns Traficant

Tucker Upton  
Velazquez Vento  
Visclosky Volkmer  
Walsh Ward  
Waters Watt (NC)

Waxman Weldon (PA)  
Whitfield Wilson  
Wise Wolf  
Woolsey Wyden  
Wynn

tleman from Texas [Mr. DELAY], as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELAY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 273, noes 146, not voting 15, as follows:

[Roll No. 427]

AYES—273

Allard Gallegly  
Archer Ganske  
Bachus Geren  
Baesler Gillmor  
Baker (CA) Goodlatte  
Baker (LA) Graham  
Ballenger Gutknecht  
Barr Hall (TX)  
Barrett (NE) Hancock  
Bartlett Hansen  
Barton Hastert  
Bilirakis Hastings (WA)  
Bliley Hayes  
Boehner Hayworth  
Bonilla Hefley  
Bono Heineman  
Brewster Herger  
Brownback Hilleary  
Ford McKinney  
Bryant (TN) Mink  
Bunn Meek  
Bunning Moran  
Hoke  
Burr Hostettler  
Hobson Hunter  
Hoekstra Hutchinson  
Hyde  
Canady Inglis  
Chabot Istook  
Chambliss Jacobs  
Chapman Johnson, Sam  
Jones  
Chenoweth Kasich  
Kim  
Christensen Chrysler  
Coble  
Coburn King  
Collins (GA) Kingston  
Knollenberg  
Combest LaHood  
Cooley Largent  
Cox Latham  
Crane Laughlin  
Crapo Lewis (CA)  
Creameans Lewis (KY)  
Cubin Lightfoot  
Cunningham Linder  
Deal Livingston  
DeLay LoBiondo  
Dickey Lofgren  
Doolittle Lucas  
Dornan Manzano  
Dreier McCollum  
Duncan McCrery  
Dunn McHugh  
Ehrlich McInnis  
Emerson McIntosh  
Ensign McKeon  
Ewing Metcalf  
Fields (TX) Mica  
Flanagan Miller (FL)  
Foley Montgomery  
Frisa Moorhead  
Funderburk Myers

Myrick Nethercutt  
Neumann Ney  
Norwood Norwood  
Nussle  
Oxley  
Packard Packard  
Paxon Paxton  
Petri Pickett  
Pommo Portman  
Quillen  
Radanovich Radanovich  
Ramstad Ramstad  
Roberts Roberts  
Rogers Rogers  
Rohrabacher Rohrabacher  
Roth Roth  
Royce Royce  
Salmon Salmon  
Sanford Sanford  
Scarborough Scarborough  
Schaefer Schaefer  
Seastrand Seastrand  
Sensenbrenner Sensenbrenner  
Shadegg Shadegg  
Shuster Shuster  
Sisisky Sisisky  
Skeem Skeem  
Smith (MI) Smith (MI)  
Smith (TX) Smith (TX)  
Smith (WA) Smith (WA)  
Solomon Solomon  
Souder Souder  
Spence Spence  
Stearns Stearns  
Stenholm Stenholm  
Stockman Stockman  
Stump Stump  
Talent Talent  
Tate Tate  
Tauzin Tauzin  
Taylor (MS) Taylor (MS)  
Taylor (NC) Taylor (NC)  
Thornberry Thornberry  
Tiahrt Tiahrt  
Vucanovich Vucanovich  
Waldholtz Waldholtz  
Walker Walker  
Wamp Wamp  
Watts (OK) Watts (OK)  
Weldon (FL) Weldon (FL)  
Weller Weller  
White White  
Wicker Wicker  
Young (AK) Young (AK)  
Young (FL) Young (FL)  
Zeliff Zeliff

Allard Fields (TX)  
Archer Flanagan  
Baesler Foley  
Baker (CA) Fowler  
Baker (LA) Fox  
Ballenger Franks (CT)  
Barcia Franks (NJ)  
Barr Frisa  
Barrett (NE) Funderburk  
Barrett (WI) Gallegly  
Bartlett Ganske  
Barton Gekas  
Bass Geren  
Bateman Gibbons  
Bereuter Gillmor  
Bevill Goodlatte  
Billray Goodling  
Bilirakis Gordon  
Bliley Goss  
Blute Graham  
Boehner Greenwood  
Bonilla Gutknecht  
Bono Hall (TX)  
Boucher Hamilton  
Brewster Hancock  
Browder Hansen  
Brown (FL) Hastert  
Brown (OH) Hastings (WA)  
Brownback Hayes  
Bryant (TN) Hayworth  
Bunn Hefley  
Bunning Hefner  
Burr Heineman  
Burton Herger  
Buyer Hilleary  
Callahan Hobson  
Calvert Hoekstra  
Canady Hoke  
Chabot Holden  
Chambliss Hostettler  
Chapman Houghton  
Chenoweth Hunter  
Chrysler Hutchinson  
Christensen Hyde  
Clinger Inglis  
Coble Istook  
Coburn Jacobs  
Collins (GA) Johnson (SD)  
Combest Johnson, Sam  
Condit Jones  
Cooley Kanjorski  
Cox Kaptur  
Cramer Kasich  
Crane Kelly  
Crapo Kim  
Creameans King  
Cubin Kingston  
Cunningham Kleczka  
Danner Klug  
Deal Knollenberg  
DeLay Kolbe  
Diaz-Balart LaHood  
Dickey Largent  
Doolittle Latham  
Dornan LaTourette  
Doyle Laughlin  
Dreier Lewis (CA)  
Duncan Lewis (KY)  
Dunn Lightfoot  
Edwards Lincoln  
Ehrlich Linder  
Emerson Lipinski  
English Livingston  
Ensign LoBiondo  
Everett Longley  
Ewing Lucas  
Fawell Luther

NOT VOTING—12

Armeey  
Bryant (TX)  
Camp  
Furse

Gephardt  
Gunderson  
Moakley  
Reynolds

Torricelli  
Williams  
Yates  
Zimmer

□ 2104

Messrs. RADANOVICH, ALLARD, ROYCE, DUNCAN, LEWIS of California, CHABOT, McINNIS, PACKARD, and PORTMAN changed their vote from "aye" to "no."

Messrs. JEFFERSON, JOHNSON of South Dakota, BALDACCI, STUPAK, TUCKER, and FORBES changed their vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gen-

Spence	Thornberry	Wamp
Stearns	Thornton	Ward
Stenholm	Thurman	Watts (OK)
Stockman	Tiahrt	Weldon (FL)
Stump	Torkildsen	Weller
Talent	Trafcant	White
Tanner	Upton	Whitfield
Tate	Visclosky	Wicker
Tauzin	Volkmer	Wise
Taylor (MS)	Vucanovich	Wolf
Taylor (NC)	Waldholtz	Young (AK)
Tejeda	Walker	Young (FL)
Thomas	Walsh	Zeliff

NOES—146

Abercrombie	Frost	Obey
Ackerman	Gejdenson	Olver
Andrews	Gilchrest	Ortiz
Baldacci	Gilman	Owens
Becerra	Gonzalez	Pallone
Beilenson	Green	Pastor
Bentsen	Gutierrez	Payne (NJ)
Berman	Hall (OH)	Payne (VA)
Bishop	Harman	Pelosi
Boehrlert	Hastings (FL)	Porter
Bonior	Hilliard	Quillen
Borski	Hinchev	Rangel
Brown (CA)	Horn	Reed
Cardin	Hoyer	Richardson
Castle	Jackson-Lee	Rivers
Clay	Jefferson	Roybal-Allard
Clayton	Johnson (CT)	Rush
Clyburn	Johnson, E. B.	Sabo
Coleman	Johnston	Sanders
Collins (IL)	Kennedy (MA)	Sawyer
Collins (MI)	Kennedy (RI)	Saxton
Conyers	Kennelly	Schiff
Costello	Kildee	Schroeder
Coyne	LaFalce	Scott
Davis	Lantos	Schumer
de la Garza	Lazio	Scott
DeFazio	Leach	Serrano
DelLauro	Levin	Skaggs
Dellums	Lewis (GA)	Slaughter
Deutsch	Lofgren	Smith (NJ)
Dicks	Lowe	Spratt
Dingell	Maloney	Stark
Dixon	Manton	Stokes
Doggett	Markey	Studds
Dooley	Matsui	Stupak
Durbin	McCarthy	Thompson
Ehlers	McDermott	Torres
Engel	McHale	Towns
Eshoo	McKinney	Tucker
Evans	McNulty	Velazquez
Farr	Meek	Vento
Fattah	Mfume	Waters
Fazio	Miller (CA)	Watt (NC)
Fields (LA)	Mineta	Waxman
Filner	Mink	Weldon (PA)
Flake	Moran	Wilson
Foglietta	Morella	Woolsey
Frank (MA)	Nadler	Wyden
Frelinghuysen	Oberstar	Wynn

NOT VOTING—15

Armey	Ford	Reynolds
Bachus	Furse	Torricelli
Bryant (TX)	Gephardt	Williams
Camp	Gunderson	Yates
Forbes	Moakley	Zimmer

□ 2112

Mrs. MEYERS of Kansas, Mr. PETERSON of Minnesota, and Mr. BARCIA changed their vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—GENERAL PROVISIONS  
OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item

made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed \$2,000 shall be available for entertainment expenses and not to exceed \$50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents: *Provided further*, That, notwithstanding any other provision of law, Azerbaijan shall be eligible to receive funds provided under title II of this Act to be used solely for humani-

tarian assistance and for democracy-building purposes.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfers specifically referred to in this Act.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1996, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8 and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

## LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

## COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

## SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States

producers of the same, similar, or competing commodity.

## NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Disease Programs Fund", "Development Assistance Fund", "Development Fund for Africa", "International organizations and programs", "Trade and Development Agency", "International narcotics control", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", "Economic Support Fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation and Disarmament Fund", "Anti-terrorism assistance", "Foreign Military Financing Program", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", "Migration and refugee assistance", or "United States Emergency Refugee and Migration Assistance Fund", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

## LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the

United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided*, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1997.

## ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

## PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

## REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

## SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Dominican Republic, Guatemala, Haiti, Indonesia, Liberia, Nicaragua, Peru,

Russia, Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations: *Provided*, That this section shall not apply to funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961 that are made available for Indonesia and Nicaragua.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to \$8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out "1995" and inserting in lieu thereof "1996".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same condi-

tions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by this Act may be obligated and expended subject to section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 527. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution designated in subsection (b), and the Administrator of the Agency for International Development shall instruct the United States Executive Director of the International Fund for Agriculture Development, to use the voice and vote of the United States to oppose any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Fund, and the European Bank for Reconstruction and Development.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel and Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

STINGERS IN THE PERSIAN GULF REGION

SEC. 529. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 530. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental or-

ganization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization.

LOCATION OF STOCKPILES

SEC. 531. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "a total of \$200,000,000 for stockpiles in Israel for fiscal years 1994 and 1995, up to \$40,000,000 may be made available for stockpiles in the Republic of Korea, and up to \$10,000,000 may be made available for stockpiles in Thailand for fiscal year 1995." and inserting in lieu thereof "\$40,000,000 for stockpiles in the Republic of Korea and \$10,000,000 for stockpiles in Thailand for fiscal year 1996".

SEPARATE ACCOUNTS

SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included in the Foreign Operations, Export Financing, and Related



Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

#### COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 533. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

#### COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 534. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.

#### POW/MIA MILITARY DRAWDOWN

SEC. 535. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed \$15,000,000 in fiscal year 1996, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

#### MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 536. During fiscal year 1996, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

#### CASH FLOW FINANCING

SEC. 537. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99-83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of \$100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 538. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

#### IMPACT ON JOBS IN THE UNITED STATES

SEC. 539. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

#### AUTHORITY TO ASSIST BOSNIA-HERCEGOVINA

SEC. 540. (a) Congress finds as follows:

(1) The United Nations has imposed an embargo on the transfer of arms to any country on the territory of the former Yugoslavia.

(2) The federated states of Serbia and Montenegro have a large supply of military equipment and ammunition and the Serbian forces fighting the government of Bosnia-Herzegovina have more than one thousand battle tanks, armored vehicles, and artillery pieces.

(3) Because the United Nations arms embargo is serving to sustain the military advantage of the aggressor, the United Nations should exempt the government of Bosnia-Herzegovina from its embargo.

(b) Pursuant to a lifting of the United Nations arms embargo, or to a unilateral lifting of the arms embargo by the President of the United States, against Bosnia-Herzegovina, the President is authorized to transfer, subject to prior notification of the Committees on Appropriations, to the government of that nation, without reimbursement, defense articles from the stocks of the Department of Defense and defense services of the Department of Defense of an aggregate value not to exceed \$50,000,000 in fiscal year 1996: *Provided*, That the President certifies in a

timely fashion to the Congress that the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(c) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

#### SPECIAL AUTHORITIES

SEC. 541. (a) Funds appropriated in title II of this Act that are made available for Haiti, Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia-Herzegovina, Croatia, and Kosovo, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: *Provided further*, That the President shall terminate assistance to any country or organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1996, the President may use up to \$40,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

(d) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

#### POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 542. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and ter-

tiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

#### ANTI-NARCOTICS ACTIVITIES

SEC. 543. (a) Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean in accordance with the provisions of section 534 of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Funds made available pursuant to this section may be made available notwithstanding the third sentence of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.

#### ELIGIBILITY FOR ASSISTANCE

SEC. 544. (a) ASSISTANCE THROUGH NON-GOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1996, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

#### CEILINGS

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or

authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

#### EXCESS DEFENSE ARTICLES

SEC. 546. (a) The authority of section 519 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide nonlethal excess defense articles to countries for which United States foreign assistance has been requested and for which receipt of such articles was separately justified for the fiscal year, without regard to the restrictions in subsection (a) of section 519.

(b) The authority of section 516 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide defense articles to Jordan, except that the provision of such defense articles shall be subject to section 534 of this Act.

#### PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 547. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: *Provided*, That none of the funds appropriated by this Act may be made available to carry out the provisions of section 316 of Public Law 96-533.

#### USE OF AMERICAN RESOURCES

SEC. 548. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

#### PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 549. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

#### CONSULTING SERVICES

SEC. 550. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

#### PRIVATE VOLUNTARY ORGANIZATIONS— DOCUMENTATION

SEC. 551. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

#### PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 552. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that

furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

#### WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 553. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

#### LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 554. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 583(a) of the Middle East Peace Facilitation Act of 1994 (part E of title V of Public Law 103-236) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 583(b)(2) of the Middle East Peace Facilitation Act or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

#### EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 555. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1996 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

#### WAR CRIMES TRIBUNALS

SEC. 556. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the authority of section 552(c) of the Foreign Assistance Act of 1961, as amended, may be used to provide up to \$25,000,000 of commodities and services to the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in para-

graph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

#### NONLETHAL EXCESS DEFENSE ARTICLES

SEC. 557. Notwithstanding section 519(f) of the Foreign Assistance Act of 1961, during fiscal year 1996, funds available to the Department of Defense may be expended for crating, packing, handling and transportation of nonlethal excess defense articles transferred under the authority of section 519 to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101-179.

#### LANDMINES

SEC. 558. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

#### REPORT ON THE SALARIES AND BENEFITS OF THE IMF AND THE WORLD BANK

SEC. 559. The Comptroller General shall submit a report to the Committees on Appropriations not later than November 1, 1995, on the following—

(1) a review of the existing salaries and benefits of employees of the International Monetary Fund and the International Bank for Reconstruction and Development; and

(2) a review of all benefits paid to dependents of Fund and Bank employees. Such report shall include a comparison of the salaries and benefits paid to employees and dependents of the Fund and the Bank with salaries and benefits paid to employees holding comparable positions in the public and private sectors in member countries and in the international sector.

#### RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 560. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this subsection shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

#### PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 561. None of the funds appropriated or otherwise made available by this Act under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" or "FOREIGN MILITARY FINANCING PROGRAM" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

#### LIMITATION ON ASSISTANCE TO COUNTRIES THAT RESTRICT THE TRANSPORT OR DELIVERY OF UNITED STATES HUMANITARIAN ASSISTANCE

SEC. 562. (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

(b) EXCEPTION.—Subsection (a) shall not apply to assistance in support of any country when it is made known to the President that the assistance is in the national security interest of the United States.

#### REFERENCES TO AUTHORIZATION ACTS

SEC. 563. The funds appropriated under the heading, "Child Survival and Disease Programs Fund" are provided pursuant to the Foreign Assistance Act, as amended: under sections 103 through 106 (Development Assistance Fund), in the amount of \$214,000,000; under part I, chapter 10 (Development Fund for Africa), in the amount of \$131,000,000; under the provisions of section 498(6) (Assistance for the New Independent States of the Former Soviet Union), in the amount of \$15,000,000; under the provisions of part I, chapter 1, section 104(c) of the Foreign Assistance Act and the Support for East European Democracy (SEED) Act of 1989, in the amount of \$1,000,000; under provisions of chapter 4, part II (Economic Support Fund), in the amount of \$23,000,000; under the provisions of section 301, in the amount of \$100,000,000 as a contribution on a grant basis to the United Nation's Children's Fund (UNICEF): *Provided*, That funds derived from funds authorized under chapter 4, part II, shall be made available for projects meeting criteria set forth in part I section 104(c): *Provided further*, That funds appropriated under the heading "Child Survival and Disease Programs Fund" shall be in addition to amounts otherwise available for such purposes.

Mr. PORTER. Mr. Chairman, as I have said many times on this floor, the United States has a unique opportunity—in fact in my view a responsibility—to remain engaged overseas in the post-cold-war world. The reasons for promoting our interest overseas, including the development of overseas markets for United States goods, protection of the planet's environment, and United States strategic interests did not disappear with the break-up of the Soviet Union. If anything, the United States should focus its energies and resources on these issues now, when we can have the greatest opportunity for success any time in the last 50 years.

The gentleman from New York is a good friend of mine and a person whom I greatly respect for his longtime dedication to enhancing the United States's role in the world through

development aid. I commend him for his leadership in passing the American Overseas Interests Act earlier this year. Unfortunately, he has been put in a very peculiar and difficult position by the foreign operations bill, which reflects his priorities, I believe, but exceeds his committee's authorization level by \$24 million.

While I understand the gentleman's dedication to protecting the prerogatives of his committee, I cannot support his amendment. The development assistance account is, in my view, the backbone of this bill. The bill already effectively cuts this account by 40 percent, devastating programs in the areas of population, education, agriculture, microenterprise, and others that promote our interests overseas. Further cuts like the ones proposed in this amendment are counterproductive and should not be enacted.

I have a great deal of respect for the gentleman from New York, but I must reluctantly encourage Members to oppose his amendment today.

Mr. GOODLING. Mr. Chairman, I rise today to comment on an issue of vital strategic importance to the United States—the future of Ukraine.

The Ukraine, situated in the middle of Sir Halford John Mackinder's celebrated "heartland" of the world, is of vital strategic significance to every nation in the region. Standing at the crossroads of Europe and Asia, the future of the Ukraine and its 52 million people will have a profound impact on the geopolitical complexion of Europe, Central Asia, and the Transcaucasus.

Recently, the Ukraine has responded extremely well in its efforts to implement democratic principles, begin the conversion to a free market economy, and fulfill international treaty commitments. In particular, the period since the 1994 democratic election of President Kuchma has been a time of significant progress in several respects.

However, the United States commitment to the Ukraine has not been commensurate with the pace of Ukrainian reform. I understand the reluctance of the House Committee on Appropriations Subcommittee on Foreign Operations to provide specific country earmarks in this bill. However, this administration has been negligent in providing proportionate funding for the Ukraine under the authority of the Freedom Support Act. Ukraine's size, geostrategic significance, and commitment to important treaty obligations have not been reflected in the administration's distribution of Freedom Support Act funds.

Ukraine has fulfilled nuclear disarmament obligations, adopted democratic reform, made progress in economic reform, and boasts an excellent human rights record. In many ways, the Ukrainian record stands in stark contrast to that of the Russian Government.

Russia is the overwhelming recipient of the Freedom Support Act account. In response to several regrettable actions undertaken by the Russian Government, Congress has justifiably reduced our commitment to that account. It is the expectation of Congress that these reductions will be borne by Russia and not the Ukraine.

While I support the reductions in spending for the Freedom Support Act, these cuts should not come from the Ukrainian allotment. Congress will be watching the administration closely on this matter.

Mr. CALLAHAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. DIAZ-BALART) having assumed the chair, Mr. HANSEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 79, PROPOSING CONSTITUTIONAL AMENDMENT TO PROHIBIT PHYSICAL DESECRATION OF THE FLAG

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-164) on the resolution (H. Res. 173) providing for consideration of the joint resolution (H.J. Res. 79) proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING USE OF CAPITOL GROUNDS FOR GREATER WASHINGTON SOAP BOX DERBY

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 38) authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

□ 2115

The SPEAKER pro tempore (Mr. DIAZ-BALART). Is there objection to the request of the gentleman from Maryland?

Mr. WISE. Mr. Speaker, reserving the right to object, I will not object, of course, but I yield to the gentleman from Maryland [Mr. GILCHREST] for an explanation of his request.

Mr. GILCHREST. Mr. Speaker, this resolution authorizes the Greater Washington Soap Box Derby races to be run on the Capitol Grounds on July 15, 1995, or on such other date as the Speaker of the House and President pro tempore of the Senate so designate. This free event is sponsored by the All American Soap Box Derby and its local affiliate, the Greater Washington Soap Box Derby Association. Its participants are young girls and boys from 9 to 16 years old who reside in the Greater Washington metropolitan area.

Pursuant to this resolution the association would assume full responsibility for any expenses involved with the

event and for any liability related to it. The association also agrees to make any necessary arrangements for the races with the approval of the Architect of the Capitol and the Capitol Police Board.

For 50 years the Soap Box Derby races have taken place in Washington, D.C., and this will be the fifth time that the Capitol Grounds will be used for the races down Constitution Avenue.

Every year this event helps teach participating youngsters the basics of mechanics and aerodynamics as they design and build their race cars. It is truly an exciting event for the entire family.

I urge my colleagues to support this resolution so that this activity may take place.

Mr. WISE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman from West Virginia for yielding to me.

Mr. Speaker, I want to thank Chairman SHUSTER, the ranking Member, the gentleman from California, Mr. MINETA, my friend and colleague, the gentleman from Maryland, WAYNE GILCHREST, and the gentleman from West Virginia, BOB WISE, for their strong support and continued assistance in expediting consideration of this bill today.

This resolution authorizes the use of Constitution Avenue between Delaware Avenue and Third Street for the 54th running of the Greater Washington Soap Box Derby on July 15, 1995. This competition is part of the All-American Soap Box Derby held later this summer in Akron, OH.

The resolution also authorizes the Architect of the Capitol and the Capitol Police to negotiate a licensing agreement with the Greater Washington Soap Box Derby Association to assure that there will be complete compliance with rules and regulations governing use of the Capitol Grounds.

For the past 4 years, I have proudly sponsored this bill along with regional Members and sports fans. It provides young boys and girls, ages 9 to 16, with an invaluable opportunity to develop and practice both sportsmanship and engineering skills.

This year, over 50 participants from Washington, DC and the surrounding communities of northern Virginia and Maryland are expected to participate in this year's event. I am pleased that boys and girls representing all five counties in my district will be competing in this year's derby.

The Soap Box Derby promotes a positive activity involving our young people. All too often, we hear many disturbing stories about negative activities youth are involved in.

I am reminded of a statement Ken Tomasello, the director of Greater Washington Soap Box Derby Association, made to me 4 years ago when I introduced the first resolution for use of