

[Rollcall Vote No. 395 Leg.]

YEAS—60

Abraham	Frist	McCain
Akaka	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Gregg	Nunn
Breaux	Hatch	Packwood
Burns	Hatfield	Pressler
Campbell	Hefflin	Robb
Chafee	Helms	Roth
Coats	Hollings	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Inouye	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Specter
DeWine	Kyl	Stevens
Dole	Lieberman	Thomas
Domenici	Lott	Thompson
Faircloth	Lugar	Thurmond
Ford	Mack	Warner

NAYS—38

Baucus	Feingold	Leahy
Biden	Feinstein	Levin
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Brown	Grassley	Moynihan
Bryan	Harkin	Murray
Bumpers	Jeffords	Pell
Byrd	Johnston	Pryor
Conrad	Kennedy	Reid
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Exon	Lautenberg	

NOT VOTING—2

Bradley	Simon
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So the motion to table the motion to recommit was agreed to.

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

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

The motion to lay on the table was agreed to.

DISPOSAL OF BONAIRE HOUSING

Mr. COHEN. I would like to bring to the manager's attention a problem with the disposal of surplus property in Presque Isle, ME, from the former Loring Air Force Base. The designated local reuse authority is having difficulty with the Department of the Interior in the disposal of the Federal property known as the Bonaire Housing Complex. I understand that it is the intention of the chairman to assist the Maine delegation in resolving this matter.

Mr. STEVENS. The Senator from Maine is correct. I will be pleased to work to address this issue in an appropriate manner.

Mr. COHEN. I thank the distinguished chairman for his assistance on this matter.

GEAR INFAC

Ms. MOSELEY-BRAUN. Mr. President, I would like to discuss with the distinguished chairman and ranking member of the Senate Appropriations Defense Subcommittee a matter of importance to my constituents and a key element of the defense industrial base.

Mr. STEVENS. I would be pleased to discuss such a matter with my colleague.

Mr. BOND. As Chairman STEVENS and Senator INOUE know, the committee has provided funds in the past to continue work performed under a program referred to as the Instrumented Fac-

tory for Gears, or GEAR INFAC. As a primary purchaser and user of precision gears, the Army has endorsed and supported this program.

Mr. INOUE. The Senator is correct. The committee added \$8,500,000 in fiscal year 1995 to continue the GEAR INFAC Program. The funds were included in the research, development, test and evaluation, Army account, effecting the transfer of this program to the Army from the Office of the Secretary of Defense.

Ms. MOSELEY-BRAUN. I thank the Senator from Hawaii.

The Army provided documents to my office indicating that the fiscal year 1996 DOD budget included \$6,000,000 for GEAR INFAC. However, new documents make it unclear whether the Army has allocated adequate funds to continue this important program. I would ask the chairman and ranking member to discuss this matter with the Army to determine what is available and what is required for GEAR INFAC. Furthermore, I would ask the chairman to ensure that adequate funds are available in the conference agreement on the DOD Appropriations Act, 1996, for GEAR INFAC.

Mr. STEVENS. Mr. President, I assure the Senator that we will discuss this matter with the Army. I will work in conference to address the fiscal year 1996 requirement for funds to support GEAR INFAC.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

ORDER FOR VOTE ON SEPTEMBER 5, 1995

Mr. STEVENS. Mr. President, I ask unanimous consent that the vote take place at 5 p.m. on September 5.

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

Mr. STEVENS. I ask unanimous consent that if the Senate votes in the affirmative on S. 1087, it be held at the desk until the Senate receives H.R. 2126 from the House; that at that time, the bill, H.R. 2126, be deemed to be called up, read twice, and all after the enacting clause be stricken, and that the text of S. 1087, as passed by the Senate, be inserted in lieu thereof, that the bill, as amended, be deemed read for the third time, and passed, and that the motion to reconsider that vote be laid upon the table.

I further ask unanimous consent that the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

I further ask unanimous consent that, upon completion of above action, S. 1087 be indefinitely postponed.

Mr. BYRD. Reserving the right to object, and I will not object. I just hope to keep the Senate mindful of the Senate rules. Does the Senator, in setting a time specific for a final vote on the bill, include in his unanimous-consent request a waiver of paragraph 4 of rule XII of the Standing Rules of the Senate?

Mr. STEVENS. The Senator is correct. I ask unanimous consent that that be included in the request.

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

Mr. STEVENS. Mr. President, I want to thank the Senate for its cooperation. I particularly express, once again my great pleasure in being able to work with my friend, Senator INOUE. We are cochairmen of this subcommittee. I appreciate him very much and feel very deeply my affection for him. I thank him for all his help in getting this bill passed.

Let me thank also our staff members, particularly Steve Cortese on this side and Charlie Houy on that side, and others who worked with us so well on this bill.

I thank the leader.

Mr. INOUE. Mr. President, I thank my leader for his kind words. I wish to thank the Senator from Alaska for his masterful management of this bill. I would like to also note three individuals who have been of great assistance to us by providing timely and correct information regarding the many amendments that have been offered: Bobbie Sherb, an Army lieutenant colonel and a nurse, who has monitored health care matters for the subcommittee; Ryan Henry, a Navy captain on detail with the subcommittee, who has monitored many of the details of this bill; Emelie East of the subcommittee staff; and last, but not least, Charlie Houy. I thank the Chair.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go in executive session to consider Calendar No. 254, the nomination of Lawrence H. Summers, with 10 minutes of debate to be equally divided.

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

Mr. DOLE. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have already been ordered.

Mr. DOLE. I thank the Chair.

NOMINATION OF LAWRENCE H. SUMMERS, OF MASSACHUSETTS, TO BE A DEPUTY SECRETARY OF THE TREASURY

The legislative clerk read the nomination of Lawrence H. Summers of Massachusetts to be Deputy Secretary of the Treasury.

The PRESIDING OFFICER. There will now be 10 minutes of debate, equally divided, on the nomination.

Who yields time?

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

Mr. President, I rise in support of the nomination of Lawrence H. Summers to be Deputy Secretary of the Treasury. Dr. Summers is now Under Secretary and has been for more than 2 years. He has carried out complex and important negotiations in international finance and international trade.

He was very instrumental in the recent World Trade Organization negotiations concerning financial services. He has a long and distinguished career for a person still relatively young. He was Vice President of the World Bank from 1991 to 1993.

From 1983 until 1993 he was the Nathaniel Ropes Professor of Political Economy at Harvard and his credentials also include a stint as domestic policy economist at the Council of Economic Advisers serving President Reagan.

There is so much else that might be said, but I believe it is well known. I yield back the balance of my time, noting that the Finance Committee voted this out by voice vote with three Senators asking to be recorded in the negative and 17 affirmed.

I yield the floor.

Mr. DOLE. Mr. President, I yield back the time.

Mr. D'AMATO. Mr. President, I stand in opposition to the confirmation of Lawrence Summers to the Office of Deputy Secretary of the Treasury.

It is fair to say that most people are aware of my strong feelings in opposition to the Mexican bailout. We should not be using \$20 billion in American taxpayer money to bail out a mismanaged Mexican Government and global speculators, and it was wrong for the administration to bypass Congress. Mr. Summers is the chief architect of the administration's bailout of Mexico.

Mr. President, several weeks ago I released a chronology as well as internal Treasury Department documents revealing that key administration officials, including Under Secretary Summers, were not candid and forthcoming about the true condition of Mexico's economy during 1994.

These documents make clear that Mr. Summers knew about Mexico's deteriorating economic condition as early as February 1994. But Mr. Summers did not warn Congress or the American public. Instead, he and other key administration officials repeatedly painted a rosy public picture of the Mexican economy.

Mr. Summers has had a distinguished career, and he is a decent man. But I have a difficult time reconciling the private and public statements by Mr. Summers and other top administration officials—who were advised by Mr. Summers—regarding Mexico during 1994.

Let me cite a few highlights from my chronology.

As early as February 15, 1994, an internal Treasury Department report

warned that "Mexico's balance of payments situation may be fragile because of its large dependence on portfolio investments which are potentially volatile." However, on February 17, 1994—2 days later—Secretary Bentsen stated that Mexico "has become an example for all of Latin America" because of its economic policies.

On March 24, 1994, Mr. Summers was informed that the Mexican Government "is looking for some comforting Treasury words to soothe the press." Then, despite Mexico's falling international reserves and growing current account deficit, Secretary Bentsen issued a statement saying: "We have every confidence that Mexico is on the right economic path."

On April 26, 1994, Mr. Summers sent Secretary Bentsen a memo stating: "Mexico's dependency on the financing of its large current account deficit from largely volatile foreign portfolio investments remains a serious problem." Once again, however, on that very same day Mr. Summers told CNBC that "Mexico is fundamentally sound and has a fundamentally sound currency. We are very encouraged about the situation in Mexico."

Finally, on November 21, 1994—despite the administration's growing concerns about Mexico's economy—Mr. Summers informed Secretary Bentsen that "the Mexicans would very much like for you to make a statement today." Mr. Summers informed the Secretary that he had worked out a statement with the Mexican Government which not only failed to disclose any of the administration's concerns, but instead hailed "Mexico's strong economic fundamentals." Less than a month later, Mr. President, Mexico was forced to devalue its currency.

Mr. President, I agree with A.M. Rosenthal of the New York Times, who wrote on April 4, 1995, in a column entitled "Cover-Up Chronology": "Real concern for Mexico would have meant public warnings from Washington as soon as trouble was discovered. Legitimate confidentiality does not include deceiving the world."

Mr. President, at his confirmation hearing before the Finance Committee, Mr. Summers conceded that mistakes had been made in the handling of the Mexican crisis. He admitted that he and other officials should have used more care in choosing the words for their public statements. He agreed to improve communications between Congress and the administration and endorsed my recommendation for private consultations with key congressional committees when future financial threats begin to emerge.

Nevertheless, Mr. President, these admissions cannot erase the serious errors made by Mr. Summers in his handling of the Mexican economic crisis. Therefore, I must vote against his confirmation.

Mr. PACKWOOD. Mr. President, Lawrence Summers has been nominated by President Clinton to be the Deputy

Secretary of the Treasury. On July 21, 1995, the Senate Finance Committee approved Larry Summers nomination on a voice vote. I am pleased that the Senate is able to consider Mr. Summers nomination today. Frank Newman, who is the current Deputy Secretary of the Treasury, is leaving at the end of this month. The Deputy Secretary's slot is a very important position and needs to be filled quickly.

Larry Summers is a qualified individual who has held numerous important government and academic positions. Mr. Summers is currently the Treasury Under Secretary for International Affairs. Before coming to the Treasury Department he served as Vice President of the World Bank for 2 years—1991–93. Before that, Summers taught economics at Harvard University for over 10 years and also worked for almost a year for the Council of Economic Advisers during the Reagan Presidency.

I am aware that some Members of the Senate have concern over Mr. Summers role during the Mexican currency crisis. While I understand their concern, I also believe that the President of the United States should be able to choose the key members of his administration if the nominee is qualified for the position. I believe that Larry Summers is qualified for the Deputy Secretary of the Treasury position. I support his nomination and urge the Senate to approve his nomination.

Mr. ABRAHAM. Mr. President, I would like to explain briefly the reasons behind my vote against the nomination of Lawrence Summers to be Deputy Secretary of the Treasury. As I have stated before, I generally will oppose a nominee only if there are serious questions as to the nominee's character, activities, or credibility.

In Mr. Summer's case, troubling questions of credibility persist. Specifically, Senator D'AMATO's investigation of the Treasury Department's role in the collapse of the Mexican peso has yielded reason to suspect that Mr. Summers has not been entirely forthcoming about his actions with respect to the origins of that crisis. We still do not know, for example, the degree to which Mr. Summers encouraged the Mexican Government to devalue their peso as a means, albeit misguided, of reducing Mexico's trade deficit. Thus, given the serious questions that still exist as to Mr. Summer's advocacy of a fatal and plainly misguided policy for Mexico, I cannot support his nomination at this time.

Mr. DOLE. I know many Members would like to relocate. This would be the last vote. We have not reached the agreement on the DOD authorization. We are not certain whether any other nominees will be cleared. There is no need holding Members here. It will not require votes. It will either agree or not agree.

This will be the last vote until September 5 at 5 p.m.

Mr. PRYOR. Mr. President, may I ask a question of the distinguished majority leader?

Are we going to do the judges today? Are they going to come before the Senate?

Mr. DOLE. It is my hope that all the nominees—I am not certain about all the Ambassadors—but we will do all the nominees.

It depends on whether we get an agreement on the DOD authorization bill. We are not there yet. We are working on it. There is no reason to hold Members here for votes. This will be the last vote.

Mr. PRYOR. Mr. President, I thank the leader.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Lawrence H. Summers, of Massachusetts, to be Deputy Secretary of the Treasury? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from New Mexico [Mr. DOMENICI] is necessarily absent.

Mr. FORD. I announce that the Senator from California [Mrs. BOXER], the Senator from Georgia [Mr. NUNN], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

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

The result was announced—yeas 74, nays 21, as follows:

[Rollcall Vote No. 396 Ex.]

YEAS—74

Akaka	Frist	Mack
Ashcroft	Glenn	McCain
Baucus	Gorton	Mikulski
Bennett	Graham	Moseley-Braun
Biden	Gramm	Moynihan
Bingaman	Grassley	Murray
Bond	Gregg	Nickles
Breaux	Harkin	Packwood
Bryan	Hatch	Pell
Bumpers	Hatfield	Pryor
Byrd	Hefflin	Reid
Chafee	Hutchison	Robb
Coats	Inhofe	Rockefeller
Cochran	Inouye	Roth
Cohen	Jeffords	Santorum
Conrad	Johnston	Sarbanes
Coverdell	Kassebaum	Shelby
Daschle	Kennedy	Simpson
DeWine	Kerrey	Snowe
Dodd	Kerry	Specter
Dorgan	Kohl	Stevens
Exon	Lautenberg	Thompson
Feingold	Leahy	Thurmond
Feinstein	Lieberman	Wellstone
Ford	Lugar	

NAYS—21

Abraham	Faircloth	Lott
Brown	Grams	McConnell
Burns	Helms	Murkowski
Campbell	Hollings	Pressler
Craig	Kempthorne	Smith
D'Amato	Kyl	Thomas
Dole	Levin	Warner

NOT VOTING—5

Boxer	Domenici	Simon
Bradley	Nunn	

So the nomination was confirmed.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

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

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the President be immediately notified of the Senate's action.

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

Mr. MOYNIHAN. I thank the Chair.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

MORNING BUSINESS

Mr. LOTT. I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak up to 10 minutes each.

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

REGULATORY REFORM

Mr. REID. Mr. President, I come to the floor today to talk about regulatory reform and to hopefully revive the discussion on regulatory reform. We have had a number of debates over the past 5 or 6 weeks about regulation reform and what should be done about it. I think those debates were healthy. I do not think there was anything wrong with the debate, but I think we have kind of lost over the last week or so the spirit, the genuine spirit, of regulatory reform.

I say that because earlier this year an amendment was offered by the senior Senator from Oklahoma and the Senator from Nevada to have real regulation reform. It was an effort to do something about the longstanding problems we have had in this country where the regulators, the bureaucrats, have promulgated regulations that we simply have been unable to live with, small business in particular.

So the Senator from Oklahoma and the Senator from Nevada offered an amendment that passed this Chamber by a vote of 100 to 0 that in effect said that if there is a regulation promulgated by a Federal agency that has a financial impact of more than \$100 million, it would not become effective for 45 days. This would allow the Congress the opportunity to review that regulation, and, in fact, if we did not like it, we could rescind it.

Mr. President, the same would apply to regulations promulgated under \$100 million in financial impact; for those regulations, they would become effective immediately. But Congress would have 45 days to look at that regulation, and if we did not like it, we could in effect veto it.

That made good enough sense that we passed it by a vote of 100 to 0 here.

Mr. President, this was a compromise. We all recognize that. This

was a compromise because we had received from the other body a moratorium basically on all regulations.

I said then and I say now, our regulatory reform proposal, that is, the one Senator NICKLES and this Senator offered, is a sensible approach to Government oversight. As is evident in the intense debate that we all experienced this last month or 6 weeks, there are many who consider regulatory reform as essential to improving Government. There are some, Mr. President, who many believe do not want any reform. I think that is a significant minority, but there are some who want no reform in this area.

We should not allow the entire process to end with so many small business owners, homebuilders, manufacturers, retailers, anyone doing business with the Government relying on the regulation that we now have. There should be a better way of doing what is now in effect. The Nickles-Reid measure is a way to do that.

Just as Congress may pass a law only to have Federal regulation turn simple laws into complex regulation, the Reid-Nickles compromise was recently swallowed up in the complex regulatory reform package recently debated in the Chamber.

Mr. President, we do a disservice to the Government and the citizens of this Government who sent us here when our reform has the potential for grave negative effects that conceivably could outweigh the intended positive.

I do not want to get into that today, but I am saying inaction is no action. Inaction is doing the country a great disservice.

So what I say, Mr. President, is that we should realize we have the ability to reform the way we handle regulations in this country. It has already passed the Senate. And so I say to my friends in the House, appoint conferees so that we can go to conference on this issue and come up with reasonable regulation reform. It may not be what everyone wants but certainly it is a significant step in the right direction.

PRIVILEGE OF THE FLOOR

Mr. SANTORUM. Mr. President, I ask unanimous consent that James Dunn, a congressional fellow in my office, be granted privileges of the floor during my statement in morning business.

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

(The remarks of Mr. SANTORUM pertaining to the introduction of S. 1188 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.