

of the tax law that "would end the I.R.S. as we know it."

The attack on its budget has already prompted the I.R.S. to decide on a two-month delay in its Taxpayer Compliance Measurement Program under which it had planned, beginning next week, to select about 153,000 tax returns for intensive audits in a periodic effort to gauge sources of cheating and to develop countermeasures. Accurate targeting of enforcement efforts is crucial since routine auditing has slipped well below 1 percent of individual returns.

If the agency fails to get a bigger budget than the \$7.35 billion now scheduled, the I.R.S. will have to cut its 112,000-member staff by the equivalent of 7,000 employees; much of this would be by attrition and shorter hours for seasonal workers, Ms. Richardson said in an interview.

"No sound business person would not spend money to make money," she added, charging the Republican budget-cutters with pound-foolish penny-pinching. "I think you ought to look differently at the side of the house that raises money."

Privatizing the collection of delinquent debt was first proposed in early 1993 by the newly installed Clinton Administration but the idea went nowhere in a Congress then dominated by the President's fellow Democrats. However, many states use private companies to help collect taxes, according to the Federation of Tax Administrators. At least three states—Minnesota, Nevada and South Carolina—already use outsiders to collect money in person. And at least 10 other states hire private agencies to make telephone calls to delinquent taxpayers.

Moreover, some states, notably Pennsylvania, use private companies routinely to collect current, as opposed to delinquent, taxes.

The I.R.S. does use private companies for finding, say, the addresses of delinquent taxpayers, spending about \$5 million a year for such information, but this does not lead to direct contact with taxpayers by outsiders.

Frank Keith, an I.R.S. spokesman, said today that the agency had not yet developed any plans to carry out a debt-collection test, including what region might initially be involved.

Among those objecting to the idea was Donald C. Alexander, a Washington lawyer who served as I.R.S. commissioner from 1973 to 1977.

"Contracting out anything dealing with enforcement is absolutely absurd," he said, contending that it was improper for people "with a stake in the outcome" to collect the Government's taxes, whether on commission or under a contract they would presumably have an incentive to extend.

Such concerns are in spite of the bill's requirement that the private debt collectors must comply with the Fair Debt Collection Practices Act and "safeguard the confidentiality" of taxpayer data.

Passage of the legislation is being held up because of an impasse over an amendment from Ernest Jim Istook Jr., an Oklahoma Republican, to severely limit lobbying efforts of nonprofit, and therefore tax-exempt, organizations that get Federal grants.

The provision in the conference bill that would extend debt-collection authorization to private law firms as well as collection companies is backed by Senator Richard C. Shelby, an Alabama Republican. An aide said the Senator believed that many resources were needed to collect outstanding debt and that privacy concerns "are overblown by the I.R.S."

Mr. Keith estimated that about half the \$150 billion of receivables on the books at the end of the fiscal year 1994 was collectible; the rest has probably been lost because of bankruptcy, death or other reasons.

Mr. PRYOR. Mr. President, I ask unanimous consent that a letter sent to me dated August 4 written by Margaret Milner Richardson, the Commissioner of the Internal Revenue Service, expressing her strong opposition and the Revenue Service's strong opposition to even considering this practice be printed in the RECORD.

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

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, August 4, 1995.

Hon. DAVID PRYOR,
U.S. Senate, Washington, DC.

DEAR SENATOR PRYOR: I am writing to express my concern regarding statutory language in the FY 1996 Appropriations Committee Bill (H.R. 2020) for Treasury, Postal Service and General Government that would mandate the Internal Revenue Service (IRS) spend \$13 million "to initiate a program to utilize private counsel law firms and debt collection activities . . .". I have grave reservations about starting down the path of using private contractors to contact taxpayers regarding their delinquent tax debts without Congress having thorough understanding of the costs, benefits and risks of embarking on such a course.

There are some administrative and support functions in the collection activity that do lend themselves to performance by private sector enterprises under contract to the IRS. For example, in FY 1994, the IRS spent nearly \$5 million for contracts to acquire addresses and telephone numbers for taxpayers with delinquent accounts. In addition, we are taking many steps to emulate the best collection practices of the private sector to the extent they are compatible with safeguarding taxpayer rights. However, to this point, the IRS has not engaged contractors to make direct contact with taxpayers regarding delinquent taxes as is envisioned in H.R. 2020. Before taking this step, I strongly recommend that all parties with an interest obtain solid information on the following key issues:

(1) What impact would private debt collectors have on the public's perception of the fairness of tax administration and of the security of the financial information provided to the IRS? A recent survey conducted by Anderson Consulting revealed that 59% of Americans oppose state tax agencies contracting with private companies to administer and collect taxes while only 35% favor such a proposal. In all likelihood, the proportion of those opposed would be even higher for Federal taxes. Addressing potential public misgivings should be a priority concern.

(2) How would taxpayers rights be protected and privacy be guaranteed once tax information was released to private debt collectors? Would the financial incentives common to private debt collection (keeping a percentage of the amount collected) result in reduced rights for certain taxpayers whose accounts had been privatized? Using private collectors to contact taxpayers on collection matters would pose unique oversight problems for the IRS to assure that Taxpayers Bill of Rights and privacy rights are protected for all taxpayers. Commingling of tax and non-tax data by contractors is a risk as is the use of tax information for purposes other than intended.

(3) Is privatizing collection of tax debt a good business decision for the Federal Government? Private contractors have none of the collection powers the Congress has given to the IRS. Therefore, their success in collection may not yield the same return as a

similar amount invested in IRS telephone or field collection activities where the capability to contact taxpayers is linked with the ability to institute liens and levy on property if need be. Currently, the IRS telephone collection efforts yield about \$26 collected for every dollar expended. More complex and difficult cases dealt with in the field yield about \$10 for every dollar spent.

I strongly believe a more extensive dialogue is needed on the matter of contracting out collection activity before the IRS proceeds to implement such a provision. Please let me know if I can provide any additional information that would be of value to you as Congress considers this matter.

Sincerely,

MARGARET MILNER RICHARDSON.

Mr. PRYOR. Mr. President, I have no further items to submit. I have no further statement to make. Therefore, I yield the floor.

I thank the President for recognizing me.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

INTERNATIONAL TRADE

Mr. DORGAN. Mr. President, inasmuch as the Senate is in morning business, I would like to say a few words about the subject of international trade.

I, along with several of my colleagues, today had lunch with Eamonn Fingleton, the author of a new book called *Blind Side*, which describes in very interesting and provocative terms our trade strategy, our trade relationships with Japan and others.

It reminded me again of what is happening this year with respect to trade. Our fiscal policy deficit, the budget deficit this year will be somewhere around \$160 billion, we are told. Our merchandise trade deficit, however, will be close to \$200 billion, a new record, the highest in the history of this country.

When you talk about international trade, the minute you discuss it people begin to yawn. There is rarely thoughtful discussion about trade policy in this Chamber, or in the other body; rarely any thoughtful notion that I can discern in Washington, DC, about what our trade policy ought to be.

The minute you start talking about the fact that our current trade strategy is injuring this country, you get turned off. You are tagged as some sort of a protectionist, xenophobic stooge. There are two camps here in trade. Either you are a free trader, you have a world view, you think in global terms, or you are some sort of protectionist isolation xenophobic. Those are the two descriptions.

Let us evaluate that just a bit. What does a trade deficit mean? Why could people care about it? I have a theory about the sour mood about politics in this country these days. I have a theory that people are sour in this country because few in this Chamber, not Democrats nor Republicans, are addressing the central core of the issue that affects most families.

Sixty percent of the American families will sit down for supper tonight around the table and have their family there and talk about their circumstances. And 60 percent of the American families will understand they make less money now in real terms—as adjusted for inflation—than they did 20 years ago.

Why would that be the case? Why, if everything is going so well in this country, are more than half of the American families suffering from a loss of income even though they work longer hours than 20 years ago?

At least part of it, in my judgment, is the construct of international trade. Since the Second World War we had a foreign policy and a trade policy that were married. The Second World War left Europe and Japan in tatters. War-torn Europe needed to be rebuilt. We did that. We pitched in a significant way and helped rebuild it. Japan was decimated, and we helped to rebuild Japan, too.

In the first 25 years of the post-World War II period we could not only help them rebuild but we could largely construct a trade policy in which we say, "By the way, ship all your goods here. It is not a problem." We were so strong and we were so big that we could compete with one hand tied behind our back. We were the biggest. We were the best. We won, and nobody could out-trade us and nobody could outproduce us. We won hands down.

All during that 25-year period after the Second World War incomes were on the rise in this country. Our economy expanded and improved. And so did opportunity and incomes for the American family.

Then what happened? Europe became a competitor. The European countries became tough and shrewd competitors. Japan grew up to be a tough economic competitor. And we still had the same old trade policy, a foreign policy masquerading as a trade policy. We still allow the circumstances to exist where we said our market is open to you but it does not matter that your market is closed to us.

That is a fine relationship. We do not want to offend them so we just keep doing what we are doing. Meanwhile, corporations, many of which no longer say the Pledge of Allegiance and no longer sing the national anthem, but have become international conglomerates responsible only to the stockholders, have decided they would like, under the construct of this trade policy, to decide what is good for them.

What is good for them? Well, what is good for them is to produce where it is cheap. Take your product and find a way to produce it in Malaysia, Indonesia, China, Bangladesh, Sri Lanka, and then bring it back to the United States to an established marketplace where people have money to spend and sell it in Pittsburgh, San Francisco, Fargo, and Denver.

The problem with that is you disconnect. You move jobs away from

America, offshore, overseas, so corporations can maximize profits, then ship the product back into our country. Then what you have is a wholesale loss of jobs in America and eventually a loss of income in this country.

Manufacturing jobs are on the decrease in this country. Oh, the last couple years we have seen a small increase. After having lost millions and millions of manufacturing jobs, we have seen several hundred thousand additional jobs over the last few years. That is fine. But it does not replace the manufacturing base we have consistently lost.

We have the folks who keep score down at the Federal Reserve Board and elsewhere in the Government. We have economists who are in the engine room or the boiler room of this ship of state and they read the little meters and gauges and dials, and they keep score by saying every month: Gee, America is really doing well. We are consuming this much; we are consuming that much; we are buying this much.

All of it is consumption. All the indices of progress in this country are how much did we spend; how much did we consume.

These economists and others who sit down there—I have said before they could sit in a concrete bunker. They need not ever see the Sun. They could sit in a concrete bunker and read these little numbers of theirs and give us all this nonsense about how healthy we are because of what we spend. It is not what we consume, it is what we produce that represents the economic base of progress in this country.

It is interesting; the economic model, the basis for what economists tell us. For instance, when Hurricane Andrew hit Florida and decimated that State, guess what? Their model, of course, does not measure damage. So they said that Hurricane Andrew contributed a one-half of 1 percent growth to the gross domestic product of America because all they count is the repairmen who came in and rebuilt the houses, not the damage that destroyed them.

Take another example; A car accident outside this building this afternoon. Somebody runs into another car. Economists call that economic growth because somebody is going to get to fix the fender.

We do not need that sort of nonsense to tell us what is going on in the country. They can talk about consumption until they are blue, these economists. The fact is our country has lost economic strength because jobs have moved offshore, overseas.

What has happened with the balance of trade as a result of all of this going on? Let us take a look at it regionally.

First, let us look at Japan. We have a \$65 billion trade deficit with Japan—\$65 billion. That means things are produced in Japan and sold here. Jobs that used to be here are now in Japan. It means income from the American consumer goes to Japan in the form of profits.

Is that healthy for our country? Of course not. Should we have this kind of trade deficit with Japan? Of course, we should not. Then why do we have it? Because we do not have the will to say to the Japanese: Look, if you want to ship your goods to America, God bless you; we want our consumers to have the widest range of choices from all goods produced in this world, but we expect something from you in return. You must have your markets wide open to American producers and American workers as well. And if you do not, then you will not find open markets here. We need reciprocal trade policies that say to other countries: straighten up. If you want to access the American marketplace, then your marketplace must be open to America. We insist, literally demand fair trade. We demand it. But we have not had the will or the strength or the interest to even begin talking in those terms with Japan.

It costs \$30 a pound to buy T-bone in Tokyo, T-bone steak. The Japanese want a lot of it. They would like to buy a lot of it. Why is it so expensive? Because they do not have enough beef produced in Japan. So will they buy sufficient quantities of American beef? They are buying more now because we have a beef agreement with Japan. And all those folks who negotiated it almost jumped right out of their cowboy boots with the success. They almost thought they should demand a medal because of the successful agreement with Japan.

Guess what? When the agreement is finally phased in over the years, there will remain a 50-percent tariff on all American beef going into Japan. And we consider that a success because our expectations are so low with respect to what Japan will allow into their marketplace.

We ought not consider those things success. We ought to demand of countries like Japan that have such an enormous trade surplus with us that their market must be open to us or we will take action. We ought not accept this one-way trade anymore.

What about China? China now has a \$30 billion trade surplus with us, or we a \$30 billion deficit with them. We are a sponge for Chinese shoes and shirts and trinkets and goods. They move all their goods to America and we are a cash cow for the Chinese, who need hard currency.

Now, China needs to buy some airplanes. Guess what? Does China go to the American plane companies, Boeing, for example, and say: By the way, we need to buy some planes from you. No, that is not what they do. They go to Boeing and they say: We are interested in some airplanes, on the condition, of course, that you manufacture those airplanes in China.

This country ought to say to China: Wait a second. You do not understand how this works. You want America to be a sponge for all you produce. Then when you need something that we

have, you buy it here. That is responsibility. And that is what we expect from you, China.

China needs grain. They need more wheat. They are off price shopping in Venezuela and Canada when they are running a \$30 billion trade surplus with us.

It is time for this country to have a little nerve and demand of other countries reciprocal trade policies that are fair.

Now NAFTA. We had people who had apoplectic seizures over this NAFTA debate in the Senate in recent years. We had economists that were out waving their arms on the steps of the Senate talking about 270,000 new jobs if we would just construct a new trade agreement with Mexico—270,000 new jobs. What is the record?

The record is that the year before the free trade agreement with Mexico was negotiated we had a \$2 billion surplus with the country of Mexico. We had a \$2 billion trade surplus the year before the Mexican free trade agreement. This year it will be a \$18 billion deficit. I would like to round up all of those disciples of this trade agreement somewhere up near the Capitol and have them explain one by one what has happened.

What has happened? We know what has happened. All the jobs are moving south, two or three plants every single day being approved. They are moving to maquiladora plants over on the Mexican side because that is where you can get cheap labor; you can still pollute; and you can produce and ship back to America. It is not the kind of goods that we were talking about when NAFTA was developed.

You take a look at what is causing our trade deficit with Mexico. It is automobiles, automobile parts, electronics; it is high technology goods, good jobs. And that is the problem. If you do not want to get technical with NAFTA, just travel across the United States-Mexican border and you will find you cannot get a raw potato across the Mexican border. Lord only knows why. You just cannot. Mexico will not allow one American raw potato across the border. But guess what? Even as U.S. raw potatoes are stopped going south, just watch tons of Mexican french fried potatoes going north. I would like to get the folks who negotiated that agreement in this building and ask them why.

The devil is always in the details, whether it is potatoes or airplanes or beef or cars. But in the aggregate, the question this country needs to start asking Mexico, Japan, China, and others is: Will you not decide for a change that as a condition of trade, if you expect to enter the American marketplace, you will open your markets to American goods, American workers, and American producers? If you do not, then this country is going to reconstruct its trade model.

We as a country do not have to continue down this path. We do not have

to believe this corporate baloney that they need to produce in Sri Lanka to be competitive. We can decide there is an admission price to the American economy, the American marketplace. The admission price is: you have to give a living wage, you cannot pollute the water, and you cannot hire 12-year-old kids to work 12 hours a day and work for 12 cents an hour. That is not fair trade. And we should not expect the American worker or the American corporation to compete against that.

You say, "Well, all that is abstract." Well, talk to the people who testified before the Senate who described little kids making carpets, with needles going through the carpet cutting all their fingertips, causing them to miss work. What do you think the carpet-makers would do so these children do not miss days of work? They would take the fingertips of these 10- and 12-year-old kids, and they would put gunpowder on them and set them afire so that they eventually scar these fingertips. They do this so that eventually when these little kids who are working with needles on carpets it will not hurt because their scar tissue is so big it will not hurt. Then they will not lose time and cut themselves on the needles.

The products made by those kids come to the American marketplace. We are told by economists this is a wonderful thing because it is cheap. The American consumer can buy cheap foreign goods.

What about the two girls who testified not so long ago about the designer-label blouses made in Honduras by kids working 14 hours a day, are not permitted to go to the bathroom. Then the blouses are shipped to a shop in New York to be sold under a designer label to American women shopping for blouses.

Do you think someone shopping for a blouse in this country should expect to buy the product made by a 12- or 14-year-old kept in a plant for 16, 18 hours, who is paid less than 40 cents an hour, \$1 an hour? You think that? I do not think that is fair trade. I do not think we ought to expect that in this country.

I am not suggesting that we build walls around our country and I am not suggesting that we ought to develop a strategy in which we decide the rest of the world does not matter. I am saying this country ought not stand for being kicked around anymore. We are big enough and strong enough to insist that the central issue in this country still must be jobs.

When we ask American workers to compete against others, it ought to be fair. They cannot compete and should not compete if they are competing with 2 or 3 billion people that are willing to earn 20 cents or 60 cents an hour and work in unsafe conditions and work 16 hours a day. We have got to start caring about keeping jobs in this country.

There are dozens of ways to do that. We have a perverse little tax incentive

in our Tax Code that I have been trying to get changed for years which rewards companies who take their jobs elsewhere, close their plant in America, move it overseas to a tax haven, make the same product, and then ship it back to Nashville, TN. And we say, "Guess what? We're going to reward you for shutting down your plant. You get a tax incentive and you get to defer income tax on the profits you make in that plant until repatriation. Just close your American plant, move overseas, hire foreigners rather than Americans, and we say, 'Hosanna, hallelujah. You get a tax break.'"

I mean, if you cannot fix that little thing and take the first step on the road to saying that creating jobs is important in this country; then, by taking that step saying that the production base is important to this country's future, there is not a chance, in my judgment, to respond to the real concerns of Americans.

The real concern of American families I think is the opportunity for themselves and their children to have a good job with decent income and a future of hope and opportunity. It is time—long past the time, in my judgment—where Republicans and Democrats should decide together that we need a new strategy.

We need a new Bretton Woods conference, a new set of designs on international finance and international trade relationships that does not represent foreign policy. A strategy that represents some semblance of national interests for us in our country, not to the exclusion of everything else, but at least to stand up and say what happens in our country to our jobs and our productive sector matters.

I said last week that, you know, next year we are going to have an Olympics. And it is going to be on American soil this time. You know what will happen? We will put all these young athletes, trim and wonderful athletes, in these red, white and blue uniforms. The country will yell like crazy in support of our athletes. I will be among them.

I love the Olympics. I want our team to do well. But is it not interesting that we are willing to become so involved in national competition, in an international event on an athletic field, and we are so uninterested, as leaders, in the question of how well we compete in the area of economic growth and jobs?

After all, this is a circumstance where there is international economic competition and there are winners and losers. And the winners, which have been Japan, Germany, and others, will experience a future of growth, opportunity, and expansion. And the losers, subject to the British disease, which is long, slow, economic decline stemming from a philosophy that what you consume is a reflection of future economic health. This is a philosophy rooted, in my judgment, in the most confounding, confusing doctrine that I have ever heard. All the economics I

have studied—I studied some and taught some economics in college—tells me that the source of long-term economic health in this country is our production.

If you lose a manufacturing base, if you lose your productive sector, if you lose your ability to produce real things, you will not long be a world economic power. You will not long dominate in world commerce. And that is why it is not too late for this country to decide it is time for a new national economic strategy, not one of protectionism.

Although if you want to use the word “protection” in a pejorative way, I am not so interested in the typical debate. However, if you want to use the word “protection” to mean protecting the economic interests of this country, count me in, because that is one of the reasons I am here. But we have to define some new economic strategy that tries to preserve our manufacturing base and tries to decide that our marketplace and our manufacturing base are important national assets. Assets that represent the opportunity for expansion and hope for the American family.

The course we are on, the path that led to the largest trade deficits in history, a wholesale loss of American jobs overseas, is a destructive course, one that is wrong for our country. And I think it is part of the undercurrent of all the angst out there in the country with families knowing this is not working. This is a model that might make international corporations wealthy but people who do not have jobs are poor. It means a future of less opportunity for them. That is what I think is at work in this country. I know it is not quite as simple as all of that, but that, I think, plays a major role.

You know something? All the things we do in this Chamber, over all of these months, all ignore that central fact. There has not been, in my judgment, one day of thoughtful, interesting debate about the central economic tenant of our times, and that is the issue of what the global economy means to the future of America, to the future of American families and American workers.

Mr. President, there are some who will say that I am truly a broken record, and that is fine with me because I want to continue to repeat month after month what I think is one of the most serious problems we face in this country. And, along with recommendations, I want to be sure that we finally debate and we finally come to grips with the need for a new economic national strategy that moves our country forward. I want a strategy that gives our country an opportunity to win once again.

Mr. President, having spoken for the full 10 minutes in morning business, I now yield back the entire balance of my time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BURNS. Mr. President, I ask unanimous consent to proceed as in morning business for no more than 5 minutes.

The PRESIDING OFFICER. Morning business is in order.

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of S. 1278 are located in today's RECORD under “Statements on Introduced Bills and Joint Resolutions.”)

Mr. BIDEN. Mr. President, Howard Schroeder first encountered southern Delaware during his Army service in World War II. His job was to protect the coast, which he did by applying his military training and muscle to help lay mines in the bay, and by applying his artist's eye and talent to help record the landscape of the area.

Some of those first Schroeder landscapes remain on display today in the Lewes, DE, public library and middle school, testaments to a love affair that lasted a lifetime.

Even beyond a lifetime—when he died at his Lewes home on Friday, September 8, at the age of 84, Howard's family announced that, in accordance with his wishes, his ashes would be scattered over the sand dunes and in the water at nearby Cape Henlopen State Park.

The people of my State take great comfort in knowing that Howard Schroeder is still guarding our coast, not only in the resting place he chose but in the legacy of his love for the beaches, the small towns, the fishing boats, the marshes, the old buildings, the people—everything that is the beauty and heart of Delaware's coastline.

It is a recorded legacy of work, literally thousands of sketches and paintings that, as one Delaware reporter wrote, “virtually define our mental image” of parts of our State. Howard said that he was always “looking for the unspoiled,” and he was able to find it, and to share it, not because he knew where to look but because he knew how to look.

It is a living legacy of teaching, because Howard Schroeder was, always, inspired to inspire others. He taught at the St. Andrew's School, at the Rehoboth Art League, which he had served as president, and in workshops that he founded in towns through Kent and Sussex Counties. He started the Artists' Sketch Group to help local artists bring out the best in each other, and he was a founding member of the Sussex County Arts Council.

He was, as his friend and fellow artist Jack Lewis wrote, “a champion for the

arts,” and his drive to teach wherever there was someone willing to learn has left a permanent and deep imprint on the artistic community in and well beyond Delaware.

Howard Schroeder's personal legacy is rich in family and friends. His wife, Marian, was his partner in every way, including the years she and Howard sold his work at their Rehoboth Beach art supply and gift store. Together, they raised six children, at a time when it was, as Jack Lewis said, “unheard of” to make a family living on an artist's earnings. Marian and Howard succeeded in doing the unheard of.

Their son John, a Delaware State legislator, published a biography of his father, and remembers Howard as working until late at night in his studio but always making time for his children. Daughter Carole memorialized her father in a poem, in which she wrote:

“You showed me the beauty of life
Through your music and your art
Through history and words of prose
But mostly, by living it.”

Howard shared his life's lessons also with sons Stephen, Howard, and Robert and daughter Gail, with their families, and with countless fortunate friends and admirers.

Mr. President, Howard Schroeder worked all over the world, he was profiled on national television, he was raised in the Bronx and in northern New Jersey. But he chose Delaware, and we remember him, gratefully, as a Delaware State treasure, a treasure that we were proud to share in his lifetime and that I am proud to share, and to honor, in the Senate today.

Howard Schroeder was a neighbor with a special gift to see, and to teach us to see, the unspoiled in our own backyard. By his vision and his talent, and by the sincerity of his love, he led us to the best in ourselves, which may well be the greatest accomplishment and contribution of all.

ON THE NEW \$100 BILL

Mr. LEAHY. Mr. President, today, the Treasury Department is unveiling a newly designed 1996 series \$100 bill that incorporates many state-of-the-art anticounterfeiting features. I commend Secretary Rubin and the Treasury Department. Today's unveiling at the Treasury Department starts the process of reassuring the public, both here and abroad, of the abiding strength and integrity of our currency. That process will continue through next year when the new \$100 bills in the 1996 series are circulated for the first time.

This country faces a serious challenge from new technologies that enable counterfeiters to turn out excellent reproductions. Unfortunately, U.S. currency has been among the most susceptible to counterfeiting in the world. Although updated in 1990 with a deterrent security strip, our bills have not had the watermarks or sophisticated dying and engraving techniques that other countries use to defeat counterfeiters.

In the past two Congresses, I have introduced, with Senator JOHN KERRY, legislation to address the growing problem of hi-tech counterfeiting. I am delighted that the Treasury has adopted many of the features we have been recommending.

According to the Secret Service, which has from its inception been combating counterfeiting, the counterfeiting of U.S. currency has increased dramatically in recent years. Over the past 5 years, the Secret Service seized an average of \$58 million annually within the United States. But in the first 4 months of 1995, alone, the Service seized more than \$50 million in counterfeit U.S. currency. Likewise, seizure of counterfeit U.S. currency overseas has increased fourfold to \$120.7 million in 1993 and \$137.7 million in 1994.

I know from personal experience the impact that counterfeiting has had on acceptance of our currency abroad. Over the summer, I took a trip with my family to Ireland. I carried with me a few \$100 bills just in case some places did not accept travelers' checks. To my surprise, I found more places that refused to accept my \$100 bills. Let there be no doubt, counterfeiters undermine confidence in our currency.

Senator KERRY and I first introduced our legislation in May 1994, to stop counterfeiters from using fake American currency as a free meal ticket. Our bill would have required the Secretary of the Treasury to design a new \$100 bill that incorporates some of the counterfeit-resistant features, such as watermarks, multicolored dyes, and sophisticated engraving techniques.

We were encouraged last summer when then-Treasury Secretary Bentsen announced plans for modernizing U.S. currency with new deterrence features. The results of that modernization effort are reflected in the newly-designed 1996 series \$100 bill.

I examined one of these new bills earlier this week. To defeat hi-tech counterfeiting technology, this bill has a watermark, and color-shifting ink, new microprinting that requires a magnifying glass to see, and concentric, fine-line moire patterns that are difficult to copy.

I congratulate Secretary Rubin and the Treasury Department for putting this country in a better position to combat counterfeiting and protect our currency. I commend the National Academy of Sciences and the Secret Service for their efforts in connection with this project and thank the talented engravers, printers, and technicians who are bringing these changes to fruition.

I also want to highlight a related development: the establishment of the Securities Technology Institute, a research facility with the Johns Hopkins Applied Physics Laboratory, to assess emerging technology and evaluate features and additional protections for currency and other security documents.

This is the most significant redesign of our currency in the last 70 years, since the "Big Bill" was replaced by the "Small William" in 1929. We have come a long way from the time when people could only tell a good Continental Congress note by the misspelling of Philadelphia. On the new \$100 bill, the portrait of Benjamin Franklin, the father of paper currency in this country, and the familiar sight of Independence Hall remain. But they are now joined by a number of improved security features.

I am delighted that this day has come and look forward to working with Secretary Rubin to serve our mutual goals of deterring currency counterfeiting and increasing confidence in our currency and our economy in Vermont, across the country, and around the world.

REMINDERS OF HOME

Mr. PRESSLER. Mr. President, I rise today to pay tribute to the people of my beloved home State of South Dakota. The daily grind of life inside the beltway leaves me searching constantly for reminders of the sights, the sounds, and the citizens of the State I love. I always enjoy those moments when South Dakotans from back home visit my Washington, DC, office. I also look forward to the times when I can return to the people and the places I hold dear.

As my colleagues know well, without the constant input I receive from the folks back home, we could not do our jobs effectively here in Congress. I am very fortunate that my fellow South Dakotans keep me in frequent touch with the issues of concern to them. I also enjoy the many letters from, and conversations with, South Dakotans regarding the diverse beauty of our home—the rolling fields of grain, the endless prairie, the majestic Black Hills, the sunsets against a backdrop sky of pink, orange, and purple hues, and the wide Missouri River.

These daily visits and the calls and letters from South Dakotans mean a great deal to me. I cherish my home. I cherish the people of my State. Every day, through them, I feel a renewed pride in being South Dakota's U.S. Senator. Every day, through them, I am proud to be a South Dakotan.

Mr. President, recently an article by Robert Pore appeared in the Huron, SD, Plainsman newspaper, describing many of the issues that are pertinent to the people of South Dakota. I would like to share these concerns and ask unanimous consent that this article be printed in the RECORD.

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

THE MALL REMINDS PRESSLER OF SOUTH DAKOTA

(By Robert Pore)

WASHINGTON.—Every morning Sen. Larry Pressler starts his day with a jog along The Mall in Washington.

The shrines, monuments and museums alongside The Mall from the Capitol to the

Lincoln Memorial seem a million miles away from the prairies of South Dakota.

But with a little imagination, as Pressler runs by the grass and trees that line The Mall, he imagines his home state and the people he represents who give meaning to his job.

"It makes me feel like I'm in South Dakota," Pressler said during an interview Wednesday in his office in the Russell Building. "It gives me a little time alone."

But along with running, Pressler seeks another form of strength to cope with the rigors and demands of life in the nation's capital.

"I belong to a weekly Senate prayer group that gets together to collect our thoughts and exchange ideas on the problems and promises we experience in life," he said.

Pressler lives a couple of blocks from his Senate office, which is located across the street from the Capitol. He said work sometimes seems to be never ending, especially as he has taken on the pressure of heading the Senate Commerce Committee.

But he makes a point to go home every night he can to have dinner with his wife.

"It gives me a little time away from the Capitol," Pressler said.

Because Pressler holds a position of power as a committee chairman and he is from a rural state, he understands that the insults and jokes about him are part of the political game. But at times they are personal and they hurt.

Recent newspaper ads indicating Pressler needs to change his opinion on Medicaid because it hurts people with Alzheimer's disease went too far, he has said.

"My father died of Alzheimer's disease, so I know first hand the tragedy of an illness in a family," he said.

After serving South Dakota for more than 20 years in both the House and Senate, Pressler always looks forward to going home.

"We have an acreage back in Hot Springs where we hope to build a vacation home," he said. "We are pricing logs right now, which are pretty expensive. We also have a farm near Humboldt."

When he's not meeting with his constituents or spending time with his family and friends in South Dakota, Pressler also likes to ride his Harley-Davidson motorcycle or his old Model D John Deere tractor, especially in small-town parades.

On his Senate office desk, Pressler has a model of his John Deere tractor as a little reminder of home.

"I get a little fun from that," he said with a smile.

What also brings a smile to Pressler's face is when he meets with South Dakotans who have made their way to Washington, either to vacation or to voice their concerns about an important issue.

"It means a lot to me," he said. "They are helping me do my job. Whether they talk to me, my staff or another senator, their presence helps our cause."

This week, Pressler visited with South Dakota farmers and ranchers in Washington as part of the National Farmers Union fly-in.

"Agriculture is a big industry, but it is getting smaller in numbers" he said. "A lot of farmers have given up. Therefore, it is important that they come here and see how the federal government works."

Pressler's concern about the people who make up South Dakota's No. 1 industry has deep roots going back to his youth on a small family farm near Humboldt.

"We have to be very careful to protect our smaller family farms," he said. "Growing up on a family farm, I showed livestock in 4-H and at the State Fair. I consider myself a farmer. I'm interested in the welfare of our family farmers and ranchers."

Pressler said instead of rushing through legislation that he feels would be a detriment of the state's family farming heritage, he would rather see a continuing resolution that will extend the 1990 Farm Bill for another year if there's an impasse on farm bill legislation.

"Farm bills are always late because they are so controversial and they require so much work," he said, "this year in particular because of the severe budgetary crisis we are in."

"We have producers in South Dakota who are not in the farm program, such as many of our cow-calf operators. We have to think about them in terms of international trade and exports. But we also have to think about the impact the huge deficit has on farmers. If the deficit stays as high as it is, it will mean higher interest rates."

"While balancing the budget is a top priority for Pressler, he doesn't want the numbers game to take priority over the people he represents."

"I come from a family farm and I have seen how farm families struggle on the land," he said. "We have to be very careful, but on the other hand we have to be honest with people. There's a lot of stuff floating around this year from the inside-the-Beltway bureaucrats. Every time we have asked the bureaucrats to reorganize they have threatened to close some local offices or take away some local services."

Pressler said the new farm bill must help producers make a decent living and allow them flexibility about what and where they can plant without all the hassle of government rules and regulations.

But he said the most important thing lawmakers can do when writing the farm bill is to provide a framework that assists beginning farmers and provides opportunities for the next generation of South Dakota agricultural producers.

During the 20 years Pressler has been in Washington, the number of farms in South Dakota has dropped from 43,000 to 33,000 this year.

"When I was in 4-H there was a lot of young farmers who went into farming and that was their dream," he said. "But nowadays many of the young 4-H'ers I talk to don't go into farming or ranching. They go out of state in many cases to take jobs."

He said technological changes are a big factor, making it more expensive to get started in farming. But he said young people also don't have the opportunity to borrow the seed money they need.

"We have to be constantly tailoring some of these loan programs for young farmers, change the estate tax law (which I'm trying to do as a member of the Senate Finance Committee) and income averaging for farmers, so young producers can get started," Pressler said.

Getting the message about the needs of South Dakota farmers across to his colleagues is hard, especially when farmers only make up about 2 percent of the nation's population of 700,000 plus is a mere drop in the bucket to the country's 260 million people.

"It is very, very hard because people don't want to listen sometimes," Pressler said. "They think that our farmers are doing OK and they read about the subsidies they receive. There's a lot of disinformation out there that really makes my job a challenge."

THANKS TO THE STAFF

Mr. LEAHY. Mr. President, last Thursday, the Senate passed the fiscal year 1996 foreign operations bill. The vote was 91 to 9. That is the largest number of Senators to vote for a for-

eign aid appropriations bill that I can recall. I want to congratulate Senator MCCONNELL for his efforts in getting the bill done, and for the overwhelming bipartisan vote. I think it shows that despite assertions to the contrary, the Senate and the American people do support foreign aid.

I also want to thank a number of other people who contributed greatly to putting this bill together, and getting it passed.

In the Congress, the majority clerk of the Foreign Operations Subcommittee, Jim Bond, was indispensable. Jim has been around here a long time, and has gained the unqualified respect of both sides of the aisle. Senator HATFIELD could not have a more competent and dedicated adviser to the subcommittee. Jim was very ably assisted by Juanita Rilling, who has also gained an expertise in the foreign assistance programs.

On Senator MCCONNELL's personal staff, Robin Cleveland was instrumental in preparing the fiscal year 1996 bill, and in finding common ground with my staff in developing a product that Senator MCCONNELL and I could support and defend. Robin did a superb job in her first year as the subcommittee chairman's principal adviser on a wide range of foreign aid issues. Robin also had the very able and tireless assistance of Billy Piper.

On my side, Tim Rieser, who was a member of the subcommittee staff during my 6 years as chairman, gave me fine assistance throughout. Dick D'Amato, a member of the committee staff, expertly handled several important and difficult issues, including the compromise that was reached on the language concerning Korea and several amendments on the former Yugoslavia. I want to thank him and Senator BYRD for his contribution.

Janice O'Connell and Diana Olbaum of the Foreign Relations Committee staff helped resolve several difficult issues. Pam Norick on Senator MURRAY's staff and Robin Lieberman on Senator FEINGOLD's staff were very helpful in preparing for the contentious debate on international family planning.

There are many people in the administration who deserve mention. While I cannot name them all, I do want to recognize Wendy Sherman, the Assistant Secretary for Legislative Affairs at the State Department. Wendy has been a tireless advocate for the Secretary, and for the American people. Her deputy, Will Davis, was an indispensable link between me and my staff, and the State Department. Will's good natured manner and willingness to search for the answer to any question we had was greatly appreciated.

At the Agency for International Development, Jill Buckley, Assistant Administrator for Legislative and Public Affairs, with the assistance of Bob Boyer and Marianne O'Sullivan, and so many other people, made it possible for us to manage with a very difficult

budget situation. I also want to single out Bob Lester, whose extraordinary knowledge of the Foreign Assistance Act prevented us from making any egregious drafting errors. Without Bob, I hate to think what kind of laws we would pass.

At the Treasury Department, Robert Baker and Victor Rojas did their best to convince a skeptical Congress of the importance of maintaining U.S. leadership in the international financial institutions.

At the Defense Security Assistance Agency, Michael Friend and Vanessa Murray were always ready to help.

Mr. President, I am sure that I have left out people I should not have. For that I apologize. Let me simply conclude by saying that I have greatly appreciated the help of all these dedicated people in getting the foreign operations bill through the Senate. I often wish that critics of the Federal Government would come to Washington and see what people like those I have mentioned do every day. They would see that they are exceptionally intelligent, committed people who work extremely long hours at a fraction of the pay many of them could earn in the private sector. They deserve our respect, and our thanks.

THE PASSING OF CHRISTOPHER VAUGHN

Ms. MOSELEY-BRAUN. Mr. President, I would like to take a moment to remember Christopher Vaughn. A good man died on Sunday and he will be missed by his friends, family, and loved ones. Christopher Vaughn was a joyful, fun loving, and giving person. Every time I had the chance to be around him I felt lucky. I enjoyed our conversations and remember the laughter and smiles that always accompanied those occasions.

Christopher Vaughn was an incredible talent. He was a scholar in Renaissance history, and he had a natural flair for the world of entertainment. It is a great thing for a person to use a natural ability to its fullest, and that is what he did.

Chris began his career writing scholarly papers in Spain and then turned his literary skills to the entertainment industry when he joined the Hollywood Reporter in 1987. It is clear why he was such a success. He was smart, witty, and eloquent. His promotion to managing editor of special issues was a surprise to no one, I am sure. Working at Nickelodeon as the director of talent relations, he brought great talent to the network.

His work at Dolores Robinson Entertainment certainly paved the way. He and Delores were the team who adopted me in the early days of my effort to be elected to the U.S. Senate. Of course, it was Chris who attended to the details. He understood that history is written from the details, and that each person can make a difference in the way that challenges are resolved. Perhaps it was his appreciation for history that made