midnight basketball works in some inner cities, I do not know. It does not apply to me. It might work in Chicago. It might work in cities in Wisconsin.

Why should we make that judgment? This is an opportunity to provide some limited funding for States to employ juvenile prevention programs.

Mr. President, it is worrisome that the number of young males who are aged from 14 to 17 will grow over the next 5 years. We can expect to see record levels of juvenile crime. There is one expert who estimates that this demographic trend is going to produce a minimum of 30,000 more muggers, murderers, and chronic offenders than we currently have. Are we going to keep building jails and prisons, and keep putting our kids away, or are we going to try to intervene in the early years to see if we can prevent them from heading down the pathway to crime?

So I join with enthusiasm my colleague from Wisconsin. I think it is a very important amendment, and I hope it will enjoy the support of a majority of our colleagues.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

PROVIDING FOR AN ADJOURNMENT OF THE TWO HOUSES

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the adjournment resolution, which provides for an adjournment of the Senate beginning tonight or any day up to next Thursday, October 5; that the resolution be agreed to and the motion to reconsider be laid upon the table.

This has been agreed to by the Democratic leadership.

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

So the concurrent resolution (H. Con. Res. 104) was agreed to, as follows:

H. CON. RES. 104

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Friday, September 29, 1995, it stand adjourned until 10 a.m. on Friday, October 6, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day beginning with Friday, September 29, 1995, through Friday, October 6, 1995, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Tuesday, October 10, 1995, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

AMENDMENT NO. 2843

Mr. GRAMM. Mr. President, I hope we can dispose of the pending amendment in short order. The committee reviewed all of these programs that the amendment proposes to fund. These are all of the so-called prevention programs that, when we debated this bill, we discussed at great length.

What is being proposed here is to give money to the States for activities such as midnight basketball, and to pay for it by cutting the $80 million from the FBI. I remind my colleagues that when we passed the Anti-Terrorism Act, we authorized additional funding for the FBI.

What I have tried to do in this bill is to provide some of that funding which we authorized. What we are being asked to do here is to go back and fund the very programs that we passed over because we did not think they were worthy, and we are being asked to pay for them by cutting the FBI.

I think that if people could take a look at this amendment and decide whether they wanted these prevention programs or whether they wanted the money to go into law enforcement to grab violent criminals by the throat and not let them go to get a better grip, I think it would be a very clear choice.

I am opposed to the amendment. I would be happy to have a voice vote on the amendment if the Senator is willing to do that.

Mr. KOHL. Mr. President, I will call for a rollcall vote, but I want to answer briefly what the Senator said.

The FBI this coming year is funded at a 15-percent increase over last year. There is not a single request the FBI has made for funding that we have not authorized and are prepared to fund, without—without—this $80 million. This $80 million is over and above everything that the FBI has authorized, the President has requested and the House has funded.

He talks about midnight basketball league, and that is a synonym for money that we think is wasted on prevention. As Senator COHEN pointed out, this money is block granted to States. They do not have to spend it on midnight basketball.

We have decided that much of the money we are spending at the Federal level the States can spend much more effectively. You have made that argument time and time again. Let the Governors, let the local government spend the money, not Washington. That is what these crime prevention programs are aimed at.

These crime prevention programs, if the Governors so wish, could be spent on programs like DARE. Everyone in this Chamber understands and recognizes that DARE is a program that works.

So midnight basketball is not where these funds are going to be expended. They are going to be given to States and Governors and local governments to spend as they see fit.

Again, the argument is that in any crimefighting bill, a certain amount of money, modest as it is, needs to be spent on trying to prevent it from occurring in the first place, and I do not think that there are any Senators, or many Senators in this Chamber who would not agree with this principle. And that is all this amendment intends to do.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. GRAMM. Mr. President, $80 million will be spent here by this amendment, our distinguished colleague talks about letting the States spend it, but we are not taking it away from Federal midnight basketball, we are not taking it away from Federal prevention programs. We are taking the money away from the FBI.

We passed an antiterrorism bill by a vote of 91 to 8 authorizing funds for the FBI. All I have tried to do in this bill is to provide part of that funding.

What we would be doing here is cutting the FBI to fund programs that may or may not do anything to prevent crime. The intentions of the program may be good. There are people who are strong proponents, for example, of midnight basketball.

The point is, do we want to cut the FBI to fund it? I say no. I think this amendment should be rejected and it should be rejected soundly.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I will be very brief. First of all, this is not about midnight basketball. That is a great thing to talk about. The States are not using this for midnight basketball. Let me tell you what they are using it for, to give you one example.

I can pick almost any one of your States. The thing States use this money for, for example, is boys clubs and girls clubs. Let me tell you about boys clubs and girls clubs. There is a study the Judiciary Committee did and it has been done by others, and no one disputes it. If you put in a boys club and girls club—the study was done in Chicago and New York—you take two housing projects, the same type of housing projects, and put a boys club and girls club in the basement of one and no boys club and girls club in the basement of the other, the difference in the rate of crime is as follows: 31 percent fewer arrests in the project that has a boys club and girls club in it; 27

percent less use of drugs, arrest for drugs; and 19 percent fewer arrests for any acts of violence.

As my dear old mother would say, an idle mind is a devil's workshop. You put these kids out there, and you have nothing for them. Let me tell you what these boys and girls clubs do with the money we have in here. One example: There is not a single one of these clubs that has midnight basketball.

I will tell you what they have. They have the following deal: If you join the club and you are involved—and particularly, they put them in housing projects, which they are now doing in most of your States, putting in public housing projects. What they are required to do is to have computer classes before they can play in the gym.

Second, they are required in a State like mine, and many of yours, to have mentoring programs. They bring the mentoring programs into the schools. Of the people who volunteer in the boys and girls clubs, 80 percent are uniformed police officers.

Third, what they do is they get these kids into these programs, and part of the requirement to stay in the program and to be able to use the boys and girls club is you have to stay in school and have passing grades. What they have done is changed the culture in those communities. I will give you one example by limiting it to boys and girls clubs. YMCAs and church groups are all involved in these programs. We are not talking about midnight basketball.

Second, we are talking about the weed and seed program, which started under President Bush. I can pick 50 quotes. I will pick one from a Republican U.S. Attorney from Georgia, Joe Whitley, former U.S. Attorney from the northern district of Georgia:

> I have said that this is the most important matter I have ever dealt with as U.S. Attorney. It's a simple but fundamentally sound idea that people in communities really seem to believe.
>
> . . . The program is responsive to the concerns of citizens. It's positive because residents thought it had real and credibility—combining law enforcement and prevention.

I can talk about Michael Chertoff, former U.S. Attorney for New Jersey, a Republican, and Debra Daniels, former U.S. Attorney, southern district of Indiana, a Republican. The list goes on.

Crime prevention is an issue that has been the subject of more misinformation and outright mischaracterization than perhaps any other in the crime debate—

Whether we should work to prevent crime before it happens, instead of waiting until after the shots are fired, until after our children become addicted to drugs, until after more Americans' lives are ruined.

The anticrime law enacted last year answered that question unapologetically. In addition to fighting crime—the law made a commitment to preventing crime.

A commitment supported by virtually every criminologist, every legal scholar, every sociologist, every psychologist, every medical authority, and nearly everyone's common sense.

Those who study this issue agree that breaking the cycle of violence and crime requires an investment in the lives of our children—

With support and guidance to help them reject the violence and anarchy of the streets in favor of taking positive responsibility for their lives.

In fact, the Fraternal Order of Police, the National District Attorneys Association, and the International Brotherhood of Police Officers cite prevention programs as critical to a long-term cure for crime.

Prevention is what cops want—what virtually everyone in law enforcement wants. Every police officer I have talked to, every prosecutor, every prison warden, every probation officer says the same thing—we can't do it alone.

And listen to local officials—the very people the Republicans say they want to give greater voice.

Republican Mayors Giuliani of New York and Riordan of Los Angeles say this:

> By funding proven prevention programs for young people, the crime bill offers hope—hope that in the future we can reduce the need for so many police officers and jails.

Listen to Paul Helmke, the Republican mayor of Fort Wayne, IN:

> It's a lot less expensive to do things on the prevention side than on the police side.

And prevention of crime—particularly juvenile crime—is more important now than ever before.

Last week the Department of Justice released its first national report on juvenile offenders and victims. The report found that between 1988 and 1992 the juvenile violent crime arrest rate has increased by more than 50 percent.

It further estimated that even if the crime rate ceases to grow in future years, juvenile population growth alone would produce a 22 percent rise in violent crime arrests. Should the violent rate continue to grow as it has between 1988 and 1992, the number of juveniles arrested for violent crimes will double by the year 2010—to more than 260,000 arrests!

Attorney General Janet Reno specifically cited prevention and intervention programs as one of the fundamental ways to combat this type of growth in juvenile crime.

Prisons, though essential, are a testament to failure: They are the right place for people gone wrong.

On the other hand, when a life about to go wrong is set back on the right track—that is a testament to hope.

We build hope by showing children that they matter, by challenging disaffection with affection and respect, and by contrasting the dead-end of violence with the opportunity for a constructive life—

I would now like to briefly comment on the three programs in this amendment.

LOCAL CRIME PREVENTION BLOCK GRANTS

Local crime prevention block grants were created to allow cities and towns to develop their own prevention programs to combat child abuse, youth gangs, drug abuse by children, and crimes against the elderly—including the D.A.R.E. Program and the boys and girls clubs.

Local crime prevention grants enable communities to institute successful initiatives such as: Measures to prevent juvenile violence, juvenile gangs, and the use and sale of illegal drugs by juveniles, programs to prevent crimes against the elderly, midnight sports league programs to keep kids off the street and away from drugs, supervised sports and recreation programs after school and on holidays, the establishment of Boys and Girls Clubs of America in public housing facilities, and the creation of special crime units to deal with crimes in which a child is involved, to name a few.

These prevention strategies and programs have proven effective in reducing the incidence of crime in both the short and long term. Here are some examples of programs that have proven track records:

In hundreds of public housing projects across the country, boys and girls clubs give kids a safe place to hang out after school—a place with positive activities and positive role models.

A recent, independent evaluation has reported that housing projects with clubs experience 13 percent fewer juvenile crimes, 22 percent less drug activity, and 25 percent less crack use, than do projects with clubs.

In Honolulu, professionals identify families at risk for neglect or abuse when children are born and then visit their homes regularly over several years to help parents learn to care for their children.

In Houston, Texas, a core of professionals provides one-on-one counseling, mentoring, tutoring, job training and crisis-intervention services to students at risk for dropping out.

And in Delaware, ''Stormin' Normin'' Oliver runs an award-winning summer basketball league—in which team members must participate in supervised study sessions and perform community-service work in addition to their time on the courts.

Although many communities are putting their best foot forward, the need and demand for prevention programs far outpace the supply.

And yet the republicans have targeted prevention grants in the crime law for complete elimination—a move some charge is cold-hearted and mean. But I say it is just plain dumb.

Local crime prevention block grants are one of the best means we have to ensure States and localities have the funding they need to reduce crime over the long haul.

Weed and seed is a republican, Bush administration program, the brainchild of former Attorney General William Barr.

The program funds prevention efforts and comprehensive law enforcement efforts.

The weed and seed program has achieved notable success primarily because it requires the kind of community policing that works, and then requires that law enforcement, social service agencies, the private sector, and the community work together to prevent crime.

So this is a program that works because it utilizes both law enforcement and community participation.

In a number of cities—such as Madison, Houston, Trenton, and Camden—notable reductions in crime have been achieved in weed and seed areas.

Many of weed and seed's biggest fans are former Republican U.S. attorneys. Let me tell you what a few of them have said:

Joe Whitley, former U.S. attorney from the northern district of Georgia:

I have said that this is the most important matter I have ever dealt with as U.S. attorney. It's a simple but fundamentally sound idea that people in communities really seemed to believe. * * * The program is responsive to the concerns of citizens. It's positive because residents thought it had real credibility—combining law enforcement and prevention.

Michael Chertoff, former U.S. attorney for New Jersey:

Trenton was a pilot city. It was a very successful project and I think very highly of it. * * * Community policing worked very well in closing the distance between the police and the community, and it deterred crime because it gave the police a better reputation within the community.

Debra Daniels, former U.S. attorney from the southern district of Indiana:

In a nutshell, it is the kind of program that you want. ''Program'' is the wrong word because it connotes money only—you want to emphasize the aspect of weed and seed that has to do with planning at the grassroots level.

Weed and seed requires collaboration of all governmental agencies working closely at all levels with people in neighborhoods to create a complete package of crime fighting, policing, human services and economic development. * * * The community leadership development was miraculous and the crime rate decreased.

The consensus of all the law enforcement experts around the country is that youth gangs are a serious problem and a growing problem.

The most recent report on juvenile offenders from the office of juvenile justice and delinquency prevention at the department of justice reports that the number of jurisdictions affected by youth gangs has increased substantially in the last 20 years and that gang-related crime has increased since the late 1980s.

Yet very little is done to directly target youth gangs.

This amendment would boost funds for the two Department of Justice programs that specifically target this problem.

One of these is the gang free schools and communities program, which funds counseling, education, and crisis intervention through coordinated social service, substance abuse treatment and other means.

The other is the community based gang intervention program, which: (1) develops regional task forces of state, local and community organizations to fight gangs; (2) encourages cooperation among local education, juvenile justice, employment, and social service agencies and community based organizations; and (3) funds programs offering effective punishment options, including restitution, community service, home detention, and boot camps.

So this amendment provides an absolutely critical prevention element to our overall anti-crime efforts.

The 1994 crime law provided over $300 million of authorized funding for prevention programs for the next year but the Republican appropriations bill eliminated virtually all of it.

Offset: this amendment would restore $80 million—one quarter of the lost prevention funds—to fund these three programs. The money is taken from a portion of new FBI salaries and expenses that were increased above the president's request.

I urge my colleagues to support this vital amendment.

I will conclude by saying that I have great respect for the abilities of my friend from Texas. But this is about weed and seed and other good programs, not about midnight basketball. Whenever I debate him on issues relating to guns, he pulls out his mama's gun and says, ''You ain't going to take my mama's gun from her.'' I am not after his mama's gun or midnight basketball.

This works. I challenge anybody in this Chamber to go home and ask 10 police chiefs in your State—10—and I am prepared to bet you that 9 of those 10 will tell you that they desperately need these local prevention programs. The reason they got put in the bill in the first place is because of the cops. Not a single social worker came to me and said: You have to put in prevention when this bill is written. Not one single bleeding heart liberal came to me and said: You have to put in prevention. The cops want the prevention money. Senators COHEN and KOHL are correct.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. BENNETT], the Senator from North Carolina [Mr. HELMS], the Senator from Oklahoma [Mr. INHOFE], the Senator from Alabama [Mr. SHELBY], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote ''nay.''

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nebraska [Mr. KERREY], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

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

The result was announced—yeas 49, nays 41, as follows:

[Rollcall Vote No. 480 Leg.]

YEAS—49

Akaka	Exon	Levin
Baucus	Feingold	Mikulski
Biden	Feinstein	Moseley-Braun
Bingaman	Ford	Moynihan
Boxer	Graham	Murray
Bradley	Harkin	Nunn
Breaux	Hatfield	Pell
Bryan	Heflin	Pryor
Bumpers	Hollings	Reid
Campbell	Inouye	Robb
Chafee	Jeffords	Rockefeller
Cohen	Kassebaum	Sarbanes
Conrad	Kennedy	Simpson
Daschle	Kerry	Snowe
DeWine	Kohl	Wellstone
Dodd	Lautenberg	
Dorgan	Leahy	

NAYS—41

Abraham	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bond	Gramm	Nickles
Brown	Grams	Packwood
Burns	Grassley	Pressler
Byrd	Gregg	Roth
Coats	Hatch	Santorum
Cochran	Hutchison	Smith
Coverdell	Kempthorne	Stevens
Craig	Kyl	Thomas
D'Amato	Lott	Thompson
Dole	Lugar	Thurmond
Domenici	Mack	Warner
Faircloth	McCain	

NOT VOTING—10

Bennett	Johnston	Simon
Glenn	Kerrey	Specter
Helms	Lieberman	
Inhofe	Shelby	

So the amendment (No. 2843) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COHEN. I move to lay that motion on the table was agreed to.

The motion to lay that motion on the table.

Mr. GRAMM. Mr. President, I am trying to work out an agreement here. I do not know that starting a debate on a new amendment moves us toward that objective. I would like to ask unanimous consent that debate on all amendments to this bill end, and that we proceed to third reading by 8:30.

Mr. HOLLINGS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HOLLINGS. I have to object to the request at this time.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

AMENDMENT NO. 2844

(Purpose: To restrict the location of judicial conferences and meetings, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and I ask for its consideration.

The PRESIDING OFFICER. Is there objection to setting aside the committee amendment?

Without objection, it is so ordered.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, and Mr. KYL, proposes an amendment numbered 2844.

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

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

The amendment is as follows:

On page 92, insert between lines 13 and 14 the following new sections:

SEC. 305. (a) Notwithstanding any other provision of law, none of the funds made available under this title shall be used for any conference or meeting authorized under section 333 of title 28, United States Code, if such conference or meeting takes place at a location outside the geographic boundaries of the circuit court of appeals over which the chief judge presides, except in the case of the Court of Appeals for the District of Columbia Circuit, which shall be permitted to host conferences or meetings within a 50-mile radius of the District of Columbia without regard to the geographic boundaries of the circuit.

(b) Of the funds appropriated under this title, no circuit shall receive more than $100,000 for conferences convened under section 333 of title 28, United States Code, during any year.

SEC. 306. (a) Section 333 of title 28, United States Code, is amended—

(1) in the first paragraph, by striking ''shall'' the first, second, and fourth place it appears and inserting ''may''; and

(2) in the second paragraph—

(A) by striking ''shall'' the first place it appears and inserting ''may''; and

(B) by striking '', and unless excused by the chief judge, shall remain throughout the conference''.

(b) In the interest of saving taxpayer dollars and reducing the cost of Government, it is the sense of the Senate that the chief judges of the various United States circuit courts should use new communications technologies to conduct judicial conferences.

(c) This section shall apply only to contracts entered into after the date of enactment of this Act.

Mr. GRASSLEY. Mr. President, I rise today to introduce an amendment, on behalf of myself and Senator KYL, that would stop a wasteful Government practice that has received a lot of press attention lately and has drawn sharp criticism from watchdog groups like the National Taxpayers Union. Mr. President, the practice I am talking about is taxpayer-funded travel by Federal judges to so-called judicial conferences. As chairman of the Subcommittee on Administrative Oversight and the Courts, I am concerned about the budgetary propriety of continuing current practice with regard to judicial conferences in this new era of balanced budgets and streamlined Government.

Mr. President, at this time I ask unanimous consent that two newspaper articles be printed in the RECORD at the conclusion of my remarks. The first article is entitled ''Taxpayers Foot the Bill for Judges to Meet at Resort'' and the second is entitled ''Times Are Tight, But Circuit Isn't.''

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

(See exhibits 1 and 2.)

Mr. GRASSLEY. Mr. President, I commend these revealing articles to my colleagues.

In the first article, U.S. District Court judge, William Nickerson, is quoted as saying, ''As a taxpayer, I would probably complain,'' when asked about a judicial conference hosted at the five-star Greenbrier resort in West Virginia. The second article recounts that a Federal judge and former Congressman introduced a resolution to reduce the cost of judicial conferences in the ninth circuit by having them less frequently. Sadly, this responsible and wise proposal was defeated by a vote of 5 to 3. This amendment removes the requirement that conferences be held, giving Federal courts the flexibility to schedule conferences or, if they decide not to schedule them, just to not have a conference.

In brief, Mr. President, the amendment will limit the location of judicial conferences to the geographic boundaries of the circuit to minimize travel costs which obviously come when there is travel outside of the circuit.

It would also amend Federal law so that judicial conferences are no longer mandatory, and express the sense of the Senate that the Federal Judiciary should explore the idea of using new communications technology—teleconferencing, et cetera—to conduct conferences without travel.

I believe the amendment will save money and give new and needed flexibility to the Federal courts.

As I said, Federal judges from around the country are currently compelled by law to attend a conference with other judges at least once every 2 years. So, I cannot fault anyone with scheduling these conferences or attending them since the law requires it.

But I can—and do—find fault with those who choose only the most luxurious hotels and resorts.

I can—and do—find fault with some of the activities at these publicly funded conferences.

According to some press reports, less than a third of the time judges spend at these conferences relates to judicial work. In one case, according to the Cleveland Plain Dealer newspaper, during one 3-day conference at Hilton Head, SC, only 10 hours were set aside for work. The rest of the time was left open so that the attendees could socialize, visit with each other, or do whatever.

Importantly, Federal courts are continuing these expensive conferences at the same time judicial resources are scarce and funds for representing poorer Americans are drying up. I respectfully submit that these are not sound priorities.

The amendment that I and Senator KYL offer today does what even some judges want to do. It would limit the location of judicial conferences to major urban areas—I want to emphasize this—within the circuit court of appeals, not outside. A few circuits, where judges are dissatisfied with the resorts within their circuit boundaries, have been going halfway across the country to attend a judicial conference—at taxpayer expense.

I am not the first to note the extravagance and unnecessary expense associated with these conferences. Fairminded judges have been complaining about these conferences themselves for years. To name just a few, Circuit Judge Charles Wiggins, of the Ninth Circuit Court of Appeals and U.S. District Court Judge Frederic Smalkin have both complained that these conferences are unjustifiably expensive. A few years ago, a district court judge in Kansas City, like Judge Wiggins in the ninth circuit, was so outraged by the posh, remote resorts where these conferences are hosted that he introduced a resolution to limit the location of conferences. Yet another judge has referred to judicial conferences as a sort of ''camp.'' And U.S. District Court Judge Carl Rubin was quoted by the Cleveland Plain Dealer as saying ''there are a lot of things I'd rather see the taxpayers' money spent on than sending me to Hilton Head for 3 days.'' According to that same article, Pete Seep of the National Taxpayers' Union states his opinion that ''Federal taxpayers are paying judges to party.''

Mr. President, I ask unanimous consent that two letters written to me by Federal judges—one from Michigan and one from Texas—urging me to trim the excesses associated with judicial conferences be printed in the RECORD.

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

U.S. BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF MICHIGAN,
Flint, MI, July 6, 1995.

Re Travel/Chambers savings.

Senator CHARLES E. GRASSLEY,
Chairman, Senate Judiciary Subcommittee on Administrative Oversight and the Courts, Washington, DC.

DEAR SENATOR GRASSLEY: I read in a recent article in the Wall Street Journal how you were trying to effectuate needed savings in the budget for the federal judiciary. As a member of the lowest rung on the ladder of the federal judiciary, I offer two suggestions for savings within the judicial branch.

I have been a bankruptcy judge for 11 years. As you know, federal judges are required by 28 U.S.C. §333 to attend a judicial conference each year. The first year I attended such a conference, it occurred to me that there was a place where some savings could be effected. In my experience, the judicial conferences are arranged so that the judges travel usually on a Tuesday and return home on a Friday or Saturday. As you are well aware, commercial airlines give tremendous discounts for early booking with a Saturday night stayover. The thought came

to mind long ago that if judges were required to attend the conference over a Saturday night, it could save a lot of money. This concept holds true for Federal Judicial Center functions as well.

My suggestion was met with the response that judges prefer to be home with their families on the weekends. While that is obviously true (when I suggested this, I had two small children at home, ages eight and five), I did not think it was too much to ask high government officials to give up a weekend once in a while, especially since such a large savings would be created. Now that funding is much tighter, I repeat this suggestion.

Another suggestion deals with the cost of furnishing chambers. Due to expansion in the district court, I was asked to move my courtrooms and chambers out of the federal buildings in Flint and Bay City. In the process, I was given a budget for furnishing chambers (which included my personal office, my secretary's office and reception area, my law clerk's office, the library, the media room, two attorney conference rooms, and the courtroom waiting area) for $25,000 total. We just about made it for that amount. I do not know for sure, but I have been told that other judges are allowed roughly $50,000 for furnishing a much smaller chambers' unit. Perhaps some uniformity would save some money. While I am in accord with the statements of the federal judge quoted in the Journal article with respect to there being a need for decorum and dignity in a federal courthouse, I also concur in your efforts and those of Senator Baucus to provide that at a lower cost.

By effectuating some reasonable savings in non-essential areas, Congress ought to be able to reinstitute cost of living increases for the judiciary. Without such regular adjustments, of course, Congress is condemning the judiciary to consistent decreases in take-home pay.

Sincerely,

ARTHUR J. SPECTOR,
U.S. Bankruptcy Judge.

U.S. DISTRICT COURT,
WESTERN DISTRICT OF TEXAS,
San Antonio, TX, June 6, 1995.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC

DEAR SENATOR GRASSLEY: At a recent conference of the Fifth Judicial Circuit, we were advised of your efforts to address government expenditures for judicial meetings and conferences. I applaud and encourage such efforts. All branches of government must search for and find ways of reducing government expense. This area can be modified, relatively painlessly, with no loss in the quality of judicial services provided.

Title 28 U.S.C. Section 333 allows an annual circuit conferences and requires that one be held in each circuit no more than every two years. Attendances for judges summoned is mandatory. Perhaps Section 333 could be amended to reduce the number of circuit conferences and/or permit participation to be optional. Once per year, we also hold separate workshops for circuit judges, district judges, magistrate judges, and bankruptcy judges. These instructional meetings address various substantive topics and can be beneficial. However, the information can be provided to us in written form at our offices to avoid the cost of travel, housing, meals, and lectures.

I am sure many more ways of reducing expenses for judicial meetings exist. These meetings can be valuable but are not absolutely necessary to the administration of justice. Particularly in these economic times, their cost is difficult to justify. I wanted you to know that judges will support, and even participate in, efforts to reduce the amount of money allocated to the judiciary's budget.

Sincerely,

JOHN W. PRIMOMO,
U.S. Magistrate Judge.

Mr. GRASSLEY. Mr. President, I believe that the costs of conferences are underestimated. These estimates—which range as high as one-half million dollars per conference—do not take into account lost time on the bench for judges and their support staff, who also attend the conferences at taxpayer expense. And the taxpayers foot these expenses year after year. The party's over, Mr. President.

There is a word for this sort of thing: Boondoggle. I have fought against wasting taxpayer money my whole career in the Senate, and I am committed to fighting unnecessary spending in the judiciary.

Mr. President, under current law, Federal judges are required to host and attend these conferences. This amendment will change that so that judges have the flexibility not to call a judicial conference. This amendment would also give individual Federal judges the option of not attending a conference. This is fair, and permits Federal courts—which I believe will act responsibly in light of the Federal Government's budgetary constraints—to pitch in and tighten belts along with us in Congress and the executive branch.

As I have said, Mr. President, this amendment is about saving taxpayer dollars and priorities. I urge my colleagues to support this amendment.

Finally, I just want to say that this amendment should not be viewed as a general indictment of the Federal judiciary. For the most part, I think that the judiciary has taken responsible and important steps to reduce unnecessary spending. This amendment is simply targeted to a use of Federal funds that, in the opinion of this Senator, should be pruned.

Thank you, Mr. President.

EXHIBIT 1

[From the Baltimore Sun, June 30, 1994]

TAXPAYERS FOOT THE BILL FOR JUDGES TO MEET AT RESORT

(by Marcia Myers)

As the federal judiciary struggles amid hiring freezes and funding shortages for basic services, 150 judges from Maryland and other parts of the Fourth Circuit converged yesterday on the broad verandas, lush fairways and tennis courts of the five-star Greebrier resort.

Their taxpayer-financed gathering will demand little work in the afternoons and barely any at night—unless you count one banquet and a sing-along led by U.S. Supreme Court Chief Justice William H. Rehnquist. Of course, several hundred lawyers pay their own way, and those who consider schmoozing part of the job might argue that they're working tirelessly.

The cost to taxpayers for the four-day conference: about $200,000.

Even some who appreciate the Greenbrier's pampering question the propriety of the trip to the mountains of White Sulphur Springs, W.Va.

''As a taxpayer, I would probably complain,'' U.S. District Judge William M. Nickerson said, while adding that the meeting offers a good opportunity to talk informally with other judges. ''I think a lot of the judges have some concerns as taxpayers. Some feel it's more of a luxury than it needs to be.''

Others are more direct in criticizing the annual conference, for which taxpayers will pay up to $1,000 per judge plus travel expenses. ''I don't think the expense is justified on an annual basis,'' said U.S. District Judge Frederic N. Smalkin.

Consider the schedule for the conference, which includes district, magistrate and bankruptcy judges from Maryland, North and South Carolina, Virginia and West Virginia:

Day 1: Judges arrive—no activities are planned.

Day 2: Judges attend a morning session for about 3 hours to discuss court business. No other activities are planned until the Rehnquist sing-along that evening.

Day 3: A trio of one-hour lectures on ethics is scheduled. At noon, the six new judges in the circuit offer brief remarks. Nothing else is planned until an evening reception and banquet.

Day 4: The morning features a panel discussion reviewing major Supreme Court decisions of the 1993 term. That ends the conference, although judges on committees may attend additional meetings.

Meanwhile, conferees are encouraged to sign up for group activities that include tennis, golf, bridge and hiking. Among the resort's other amenities: three 18-hole championship golf courses, fly fishing, skeet shooting, horseback riding, swimming, and the Greenbrier Spa, Mineral Baths & Salon.

''Personally, I think it's of real value,'' Senior U.S. District Judge John R. Hargrove said of the conference. ''Do we have to cut our own throats just because Congress won't give us more money? We still have to have training. We don't go down there and sit around.''

Why not have a shorter meeting, strictly business, at a less luxurious spot?

''We tried that at least once in the 20 years since I came here,'' said the circuit's Chief Judge, Sam J. Ervin III of North Carolina. ''The afternoon sessions were not very productive—nobody much came.

''I think the most important thing about this conference is that lawyers have an opportunity to mingle with the judges and share their problems and difficulties.''

That talk could include concerns over the shrinking resources of the federal courts. Amid a hiring freeze in Maryland and across the nation, the courts are at 84 percent of adequate staffing levels—the lowest ever, according to a court official.

And the situation could get worse. Court officials worry about funds for court security, courtroom deputies and computers. Business that used to be done in a day in Baltimore, for example, now can take several days because of staffing shortages.

When asked how much the conference would cost taxpayers, Circuit Executive Samuel W. Phillips said about $55,000. But after acknowledging the $1,000 allowance for each judge, plus travel and administrative expenses, he estimated the cost at $175,000 to $200,000.

Mr. Phillips said he had checked many other hotels for a better rate. But the Greenbrier includes two meals in its room rate, which makes it cheaper, he said. A typical room for two costs $434 a night, although the judges receive a discount that he wouldn't disclose.

It's also one of the few hotels capable of accommodating everybody—judges, spouses and lawyers—under one roof, he said.

The government pays for judges' hotel rooms and meals. The cost of recreation—at

the Greenbrier, golf fees are $80 and tennis courts are $23 an hour—comes from each judge's own pocket.

The conference alternates every other year between the Greenbrier and the Homestead, a similar resort in Hot Springs, Va.

The judges are quick to note that attendance is required—by law.

Congress passed a bill in the 1930s requiring judges in each circuit to gather annually to consider court business.

As budget concerns have mounted in recent years, the law was amended to require a meeting only once every two years.

Several circuits have cut back to biennial meetings, but Judge Ervin said the Fourth Circuit had rejected that idea.

[From the Recorder, September 29, 1993]

TIMES ARE TIGHTS, BUT CIRCUIT ISN'T

(By Steve Albert)

Soon after money problems forced postponement of pay raises for judicial employees and led federal judges to suspend civil jury trials, the Ninth Circuit U.S. Court of Appeals spent about $600,000 to send 350 judges and lawyers to a four-day conference at a luxury Santa Barbara beach resort.

While other circuits reacted to tight budgets this year by canceling their retreats or deciding to hold them every other year, the Ninth Circuit opted to go forward with its August 1993 conference and continue holding its retreat annually.

Circuit chief Judge J. Clifford Wallace called the conference expenditures ''money well spent.'' Congress mandates that circuits hold conferences, Wallace said, and the retreats provide the only opportunity ''to bring together people who have responsibility to improve the administration of justice.''

Circuit and district judges, magistrates, bankruptcy judges, U.S. attorneys, federal public defenders and court clerks from nine Western states attend the conference. In addition, the circuit's 27 active judges get together six times a year, hold an annual winter symposium, and meet with different judges once every year or two for continuing education.

Estimates of government expenses for the Santa Barbara conference were released last week shortly before the U.S. House of Representatives appropriated $2.8 billion for the judiciary for fiscal 1994, a 10 percent increase over this year. A House/Senate conference committee is expected to settle on the final number this week or next. The Senate wants to give this judiciary just a 5 percent increase for the new fiscal year, which begins Friday.

The cost estimate of the Ninth Circuit conference, prepared by circuit executives at The Recorder's request, shows that 300 judges, prosecutors, public defenders and clerks traveled to Santa Barbara by air at an average cost of $550 each. Another 50 traveled by car from Los Angeles at an average cost of $50. The attendees spent an average of $250 for room and food each day of the four-day conference and an average of $34 on check-out day. Add in about $27,000 for such items as speakers' travel, printing and audiovisual material, and the total bill for taxpayers was about $556,000. Because judges submit individual expense vouchers, that figure is an estimate only.

The figure does not include the cost of travel during the rest of the year for the 12 judges who meet four times annually to help plan the conference.

About 100 other attendees, mostly lawyers in private practice, paid their own way.

$100 MILLION BAILOUT

The conference came just eight months after the U.S. Judicial Conference—the governing body of the federal courts—imposed a hiring freeze and postponed some pay increases for federal court employees in the Ninth Circuit and around the country. At the same time, the Judicial Conference's executive committee trimmed court operating expenses as well as probation and pretrial services funding, citing a $100 million operating shortfall.

In June, citing a lack of funds to pay jurors, federal trial courts around the country briefly suspended some civil jury trials, Congress passed a $100 million bailout for the courts in early July.

The budget shortfall prompted Wallace in May to propose that many indigents who need court-appointed lawyers be asked to repay the government for the cost of their defense, much as students are required to pay off student loans for college tuition. The savings, he theorized, could be used to avoid funding shortfalls.

But Wallace said Monday that despite budgetary problems, the conference remained an essential expense. He cited the circuit's recently released study of gender bias in the courts and its decision to study bias based on race, religion and ethnicity as examples of the work the conference takes on.

''No one can doubt the importance of those issues,'' Wallace said. ''It would be difficult to cut the conference because of budget difficulty.''

Other circuits around the country have cancelled their annual conferences, however. The New York-based Second Circuit and Denver-based Tenth Circuit cancelled their 1993 meetings, and the St. Louis-based Eighth Circuit has cancelled its 1994 conference. Four other circuits have gone to biennial conferences.

A call to cancel future Ninth Circuit conferences was defeated by a 5–3 vote of the circuit's executive committee at its August meeting in Santa Barbara. Circuit Judge Charles Wiggins, a former Republican congressman, warned colleagues then that the cost could engender the wrong ''public perception,'' especially in tight budget times.

Executive committee members voted to go ahead with the circuit's 1994 conference in San Diego and its 1995 conference in Hawaii.

Exactly how much the Ninth Circuit or other circuits spend on annual conferences is difficult to pinpoint, according to circuit executives and a spokesman for the U.S. Administrative Office of the Courts, which disburses money to the federal bench. Judges submit conference expense vouchers and reimbursement checks are issued in Washington. The Ninth Circuit cost estimates were based on average airfare costs calculated by circuit executives and the $250 maximum per day charge judges and other government employees are allowed for lodging and food.

Circuit conference expenses are subtracted from the ''Salaries and Expenses'' line of the courts' budget. Individual circuit expenses are never set forth in judicial budget requests, said David Sellers, a spokesman for the administrative office of the courts.

''It doesn't get much more specific than that,'' Sellers said.

New Jersey District Chief Judge John Gerry, who chairs the Judicial Conference's executive committee, said the Ninth Circuit's conference cost estimate was the first such estimate he had ever heard. The executive committee, which holds the Judicial Conference's purse strings, does not take up or examine individual circuit expenditures, he said.

But the conference a year ago asked circuits to evaluate the necessity of retreats and their costs. ''There hasn't been any area of court operations we have not looked at to save a buck here and there,'' Gerry said. His own circuit, the Third, has gone to biennial conferences.

A MODEL CIRCUIT

Wallace said the work of the Ninth Circuit conference has been recognized by other circuits. ''Some of us do a better job than others in our efforts to improve the system,'' Wallace said. If efforts were not made to improve the administration of justice, he added, costs of administering the courts could be higher than they already are.

''The budgeting problem is very complicated,'' Wallace said. ''By singling out one aspect, the overall picture can be blurred. We have thrashed this out. We have been responsible.''

But some circuit judges like Wiggins have complained that the conference is not as productive as Wallace or others may think. ''We don't talk about much of interest to any of us; our discussions are so broad,'' Wiggins told his colleagues in Santa Barbara.

At the Santa Barbara meeting, conferees discussed cooperation with the executive and legislative branches and, in addition to passing a resolution calling for a task force to study bias, passed one supporting adequate funding for the courts.

Savings in conference costs would not have offset lack of funds for jury trials or public defender programs because those costs come out of different budget lines than the line used to pay for conferences, said Wallace and court spokesman Sellers.

This year's conference schedule, like those in the past, included such diversions as tennis and golf tournaments, a spouse sightseeing and winery tour and cooking and flower arranging classes.

Wallace confirmed that the Ninth Circuit conference next August will be held at the Loews Coronado Bay Resort on the beach south of San Diego. The resorts offers bayside suites and has three heated pools and a marina. The Taxpayer's Tab

Ninth Circuit Judicial Conference—Santa Barbara—August 16–19

Travel:	
300 travelers at average airfare of $550	$165,000
50 travelers (L.A. area) by car at $50	2,500
Total travel:	167,500
Lodging:	
350 travelers at $250 per day for 4 days	350,000
350 travelers for $34 for last day	11,900
Total lodging:	361,900
Grand Total Travel/Lodging	529,400
Direct Conference Expenses:	
Spakers' travel, printing, audiovisual	27,000
Grant Total for Santa Barbara Conference:	556,400

Mr. KYL addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I shall be brief. I assume that this amendment will be adopted on a voice vote, but I do think it is important to just reiterate a couple of points.

I am very pleased to join Senator GRASSLEY, the chairman of the courts subcommittee, in introducing the amendment.

What it does is to require that all circuit court judicial conference meetings must be held within the circuit and that they keep the cost of each of those conferences not to exceed $100,000.

Additionally, the amendment would remove the requirement that a judicial conference be held every 2 years. A circuit may hold a conference but is not required to hold a conference under our amendment.

And the reason is, as was pointed out by Senator GRASSLEY, at a time when judicial resources are precious, money should not be used to fund trips to such faraway places as Maui, Santa Barbara and Sun Valley. The conferences should be held in areas that are easily accessible and within the geographic bounds of the district.

According to a report released last week by the General Accounting Office, the total cost for the circuit judicial conference meetings in 1993 was more than $1 million, and in 1994 it was once again almost $1 million. In both 1993 and 1994, the ninth circuit, which encompasses my State of Arizona, ran up the largest tab, costing the taxpayers more than a quarter of a million dollars each year according to this GAO report.

The estimated cost for this year's ninth circuit conference in Hawaii is more than a half million dollars, according to the Legal Times. Unfortunately, Mr. President, this comes at a time when we have to start counting our pennies here at the Federal Government level, and I am sure that the public is fed up with such waste.

In fact, about a week ago, I received a letter from one of my constituents about the subject. He wrote about what he called, and I am quoting now, ''The extravagant conference charges incurred by United States taxpayers to send about 350 Federal judges to Maui, Hawaii this year.''

He continued, and I am quoting, ''I am outraged by such extravagance. Is it no wonder that the every-day citizens of this Nation are cynical, disappointed and feel totally helpless as this kind of abuse rages in all levels of Government?''

Mr. President, I think he is right. These conferences are an abuse of taxpayers' funds and of the public trust. The ninth circuit usually holds its conferences at a resort in either San Diego, Santa Barbara, Maui or Sun Valley, ID. They are all beautiful places, but the public should not be paying about $1 million each year to fund conferences in such places.

According to an article in the Legal Times, many judges believe that reform is needed. As one ninth circuit judge, Charles Wiggins, noted: ''It's an excessive expenditure of public funds.'' Another judge—Judge Rubin of Cincinnati—commented: ''There are a lot of other things I'd rather see the taxpayers' money spent on.''

''[The 1993] conference schedule, like those in the past, included such diversions as tennis, golf tournaments, a spouse sightseeing and winery tour and cooking and flower arranging classes,'' according to an article in the Recorder, a San Francisco-based newspaper affiliated with the Legal Times.

What is particularly galling about the excessive amount spent on these conferences is that the spending comes at a time when the judiciary is so strapped for funds.

For example, the ninth circuit's 1993 conference came just 8 months after the U.S. Judicial Conference, the governing body of the Federal courts, imposed a hiring freeze and postponed some pay increases for Federal court employees in the ninth circuit and around the country.

At the same time, the judicial conference's executive committee trimmed court operating expenses as well as probation and pretrial services funding, citing a $100 million operating shortfall. Additionally, in June 1993, citing a lack of funds to pay jurors, Federal trial courts around the country briefly suspended some civil jury trials. In July, Congress had to pass a $100 million bailout for the courts.

In addition to running up large bills by traveling to out-of-the-way places such as Maui and Sun Valley that are within the geographical boundaries of the circuit, many conferences are held outside of the circuit. For example, in 1993, the sixth circuit, which includes Michigan, Ohio, Tennessee, and Kentucky, held its conference at the seaside resort of Hilton Head in South Carolina.

As the chief judge of the sixth circuit said at the time, ''It's not a matter of choice. It's a requirement of the Congress to hold the meeting. They just don't say where.''

Well, not anymore, Mr. President. With this amendment, Congress will say where. It is simply limited to some place within the circuit, and certainly in my own case in the ninth circuit there are plenty of nice places such as the seat of the circuit, San Francisco, to hold these conferences. So this will certainly be no imposition on judges.

I support what Senator GRASSLEY has said, and I urge my colleagues to support this amendment and help to put an end to this wasteful spending.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2844) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, I know that this amendment was accepted by voice vote, but I just want to note for the RECORD that I oppose it.

This is not the type of micromanagement that the Senate should be engaged in.

The Judiciary is an independent branch of Government and it should be permitted to make reasonable decisions about how to spend the money that Congress appropriates to it without undue interference.

AMENDMENT NO. 2845

(Purpose: To delete funding for the National Endowment for Democracy)

Mr. BUMPERS. Mr. President, is there a pending committee amendment?

The PRESIDING OFFICER. Yes.

Mr. BUMPERS. Mr. President, I ask unanimous consent the present pending amendment be laid aside so I may call up an amendment.

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

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself, Mr. BROWN, and Mr. DORGAN, proposes an amendment numbered 2845.

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

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

The amendment is as follows:

At page 116, strike lines 3 through 7.

Mr. BUMPERS. Mr. President, I wish to tell my colleagues, No. 1, this will be very short and sweet, and it will not require a rollcall.

I am saying this to the distinguished floor managers on the assumption that the President is going to veto the bill and that the bill is going to come back here at some point in the future, in October or November, and I will have an opportunity to offer this amendment and get a rollcall vote on it.

Now, this amendment deals with the National Endowment for Democracy. A lot of the new Members are not familiar with the National Endowment for Democracy.

Mr. President, Dante Fascell was a beloved House Member. Everybody knew him. He always wanted to do something to enhance democracy when the Communists were riding roughshod on everybody around the world. And when Ronald Reagan came to power, Dante Fascell presented this idea of a privately funded National Endowment for Democracy to President Reagan. President Reagan said he liked the idea of something that would counter communism with democracy.

And here is what Dante Fascell said, ''We had found ourselves a powerful ally, the President of the United States. We had a horse and so we rode that horse. Changed the bill around and rammed it through.''

And then he said they gave money to the Democratic and Republican parties, to the labor unions, and to the U.S. Chamber of Commerce. ''Hell yeah. They were on board,'' Fascell recalled. ''They got a piece of the pie. They got paid off. Democrats and Republicans, the Chamber of Commerce, along with labor.'' They got paid off.

That was in 1982. It was passed in 1984. It was designed to be matched with private money. Here is what happened. Just like all other Federal programs, look how it started off here in 1983. $18 million. And it was to be matched within a short period of time with private money.

Now, you talk about growing like Topsy—Topsy would blush at the way this program has grown. It started out at $18 million, $18 million, down to $15 million, went to $35 million, and $30 million in this year 1995.

Now, how much would you guess of that budget is private money?

We ought to have a little game show here and let everybody guess. The Senator from New Mexico is indicating he thinks it is 3 percent?

Mr. DOMENICI. Zero.

Mr. BUMPERS. Zero. You are wrong, Senator. It is less than 2 percent.

Here is a program that was going to be matched 50–50 with private money and ultimately be all private money from foundations and individuals. And there you have it, $30 million of the taxpayers' money, and less than 2 percent of it is private. And who gets it? And I do not mind telling you, this is the most offensive part of it to me, just as it would be the most offensive part to any citizen in America if they knew about it. Now, you see most people know about the Agency for International Development because that costs almost a half billion dollars. They know about the U.S. Information Agency because that costs almost a half billion dollars. They know about foreign aid because that is 12 to 15 billion dollars. All of those programs are designed to foment and enhance democracy around the world.

And then we come in with a little piddly amount here. How did we get this thing passed in the first place? It is exactly like Dante Fascell said. ''We bought them off.'' Who did they buy off? You see this CIPE? FTUI? NDI? IRI? You see this ''R'' right here in IRI. You know what the ''R'' stands for? Republican. The Republican party gets 11.1 percent of that $30 million I just showed you. And what do you think this big ''D'' is in NDI? Democrat. That is right. The Democrats get 11.1 percent.

The Democrats used to get quite a bit more. And now they have got us down equal to the Republicans. We both get 11.1 percent.

And who is CIPE? That is a fancy name for the Chamber of Commerce. What is FTUI? Why that is the free trade unions, and who is that? AFL-CIO. Everybody got bought off. And the poor old taxpayers, they was not even consulted.

Now, I want to ask you, in this year 1995, when we are cutting everything under the shining sun, dramatically, we are not just cutting, we are cutting big dollars out of big programs. And programs like this have a way of being ignored. Nobody even looks at them. Out of the $30 billion, only 30.8 percent is discretionary.

I will tell you what I am going to do. I am going to send a July 1995 article from Harper's Magazine to each one of you, and I hope your staffs will insist you read it. It talks about a meeting of nongovernmental organizations. Where? Zagreb, Croatia. They come to Croatia, to Zagreb. They stay in a fancy hotel. The best was in Zagreb. They watch C–SPAN2. They watch CNN. They watch MTV. They have a nice big opulent dinner.

And then the President of the National Endowment for Democracy gets up and they are all thinking he has a big checkbook in his pocket. He is going to pull that sucker out and he is going to start writing checks to each one of them. What does he do? He gets up and he tells them they have all kinds of data, all kinds of information about the joys of democracy and they are going to put it on the Internet. This guy who wrote the story said you could see their shoulders go slack. People could not believe they had come all that distance to hear somebody say they were going to put a lot of information about democracy on the Internet.

And who do you think is paying for the hotel bill and the opulent dinner? That is right, old Uncle Sucker. I am just saying if you cannot kill this program—if you cannot kill this program—I am not optimistic about balancing the budget in 7 years.

Now, I am offering this amendment on behalf of Senators BROWN and DORGAN. There are all kinds of things I would like to talk about. I know everybody wants to get away, so I am not going to belabor it. But I want to reemphasize the point that I will be back on the floor after the President vetoes this bill for a rollcall vote on this amendment or something similar to it. But anybody who votes to continue this program cannot be serious about deficit reduction.

I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, this will be the ninth time that the Senate—and before that the other body—has taken up this amendment and debated it. I always enjoy and appreciate the eloquent presentation of the Senator from Arkansas. I will not take much time since the Senator from Arkansas has just stated we will revisit this issue again.

So I would only note, Mr. President, and ask unanimous consent to have printed in the RECORD the following letter.

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

SEPTEMBER 29, 1995.

Hon. ROBERT DOLE,
Hon. THOMAS DASCHLE,
U.S. Senate, Washington, DC.
Hon. NEWT GINGRICH,
Hon. RICHARD GEPHARDT,
House of Representatives, Washington, DC.

As former Secretaries of State representing both Democratic and Republican Administrations, we support the continued funding of the National Endowment for Democracy (NED). This viewpoint is based upon the NED's strong track record in assisting *Solidarty* in Poland and other significant democratic movements over the past decade. It is also based upon the NED's important ongoing efforts in helping those engaged in the development of institutions of democracy around the world.

During this period of international change and uncertainty, the work of the NED continues to be an important bipartisan but non-governmental contributor to democratic reform and freedom. We consider the non-governmental character of the NED even more relevant today than it was at NED's founding twelve years ago.

Sincerely,

JAMES BAKER.
LAWRENCE S. EAGLEBURGER.
ALEXANDER M. HAIG, Jr.
HENRY A. KISSINGER.
EDMUND S. MUSKIE.
GEORGE P. SHULTZ.
CYRUS R. VANCE.

Mr. McCAIN. It is from former Secretaries of State representing both Democratic and Republican administrations.

. . .we support the continued funding of the National Endowment for Democracy (NED). This viewpoint is based upon the NED's strong track record in assisting Solidarity in Poland and other significant democratic movements over the past decade. It is also based upon NED's important ongoing efforts in helping those engaged in the development of institutions of democracy around the world.

During this period of international change and uncertainty, the work of the NED continues to be an important bipartisan but non-governmental contributor to democratic reform and freedom. We consider the non-governmental character of the NED even more relevant today than it was at NED's founding twelve years ago.

Sincerely, James Baker, Lawrence Eagleburger, Alexander Hague, Henry Kissinger, Edmund Muskie, George Schultz, and Cyrus Vance.

So, Mr. President, I urge my colleagues to note with interest the view of seven previous Secretaries of State, both Republican and Democrat, who have taken the time and effort to sign this letter in support of this very important effort to further the cause of freedom and democracy throughout the world.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will be mercifully brief. I understand the hour, and people want to leave. We will revisit this and have an aggressive debate at some point.

But I am struck—I am always, of course, respectful of the Senator from Arizona and I respect his opinion—I am struck by the letter put on our desks signed by former Secretaries of State that talk about the nongovernmental character of NED, how relevant the nongovernmental character of NED is.

The governmental character of NED is this is all Government money, it is all the taxpayers' money, divided up four ways: Give some to the Republicans, some to the Democrats, some to the Chamber of Commerce, some to the AFL–CIO and say, ''Go do some nice things in support of democracy.'' The problem is it duplicates what we are doing in half a dozen other programs in the State Department.

In the last election, Republicans won, and I applaud them for that. The score was 20 percent of the American people voted Republican; roughly 19 percent of the American people voted Democrat; and 51 percent of the American people said, ''Count me out, it doesn't matter, I'm not going to vote at all.'' It may be that we ought to talk about promoting a little democracy in this country.

This is not all that much money, but it is enough, and it is one of those programs that simply will not quit. It does not matter that it cannot be justified. It does not matter that it cannot be justified at this point. What matters is that it is a program that is ongoing, it continues, and it is governmental money that they call nongovernmental in character.

I support the Senator from Arkansas. I hope we will have a long debate on this, and I hope one of these days we are going to knock this out. If you care about reducing the deficit, the devil is in the details. The detail here is $32 million that we ought not spend. We ought not spend it. It is waste, in my judgment.

Let us reduce the deficit. Let us zero this out and do the taxpayers of this country a favor.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, this is excellent debate, great points have been made, as in all these things. But consider the fact this bill is not going anywhere. What we are doing tonight is like training to fight the Spanish Armada. We ought to put all these speeches in the RECORD. Of course, we will all spend the weekend reading each other's speech with due diligence, but then everybody could go home.

I just remind my colleagues of one thing, maybe the thing that will move us away from these Dracula hours of legislation more than anything else around here if—if—we do not lose our nerve and do apply the laws of this country to the Congress as applied to everywhere else: Starting January 1, paying time and a half for all the staff who have to stay around here when we go through this useless exercise. Instead of costing the taxpayers $15,000 or $20,000 an hour for this, it will start costing $40,000 or $50,000 an hour. Maybe—maybe—we will pass legislation, have debates during the daytime and not do the Dracula hours.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I commend the distinguished Senator from Arizona for his statement and also for printing in the RECORD this joint letter by seven former Secretaries of State.

I say to my colleague that the reason the NED will not go away is because it does good work. That is plain and simple the reason it will not go away. It has done some extremely effective work around the world in strengthening and developing democratic institutions and protecting individual rights and freedoms.

We have had any number of people come through the Halls of the Congress recognized as fighters for human rights, fighters for freedom, fighters for democracy who have manifested their support for NED and the support which gave them and made them possible in their own countries to lead this effort.

So I know a longer debate is coming, and I am prepared and look forward to that debate, but these Secretaries are right when they say ''the strong track record in assisting significant democratic movements.'' It does have a strong track record, and it serves an important role, because it can operate as a nongovernmental entity and support nongovernmental entities which provide opportunities that would not otherwise be available if these activities were undertaken by a governmental agency.

So I strongly support the NED, and I hope when we actually get to the real amendment, the Members of this body will support it as well.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me just conclude by saying the very organization, the National Endowment for Democracy, dooms it. It is self-contradiction to give money to the Republican Party and to the Democratic Party whose views on democracy are quite different.

We all champion democracy, but can you imagine this group in Zagreb allowing me on my side to describe democracy for them, and we will say the Senator from Arizona on his side. We have strong philosophical differences. They would be so confused when we got through, they would not know what democracy is all about. And labor and the Chamber of Commerce, like two hornets in a jug. We give each one of them, look at that, the Chamber of Commerce, 13.6 percent and labor, AFL–CIO 29.4 percent. Do you want the people from the Chamber of Commerce and labor to sit around the same table explaining democracy?

Mr. President, let me repeat, we spend an awful lot of money on foreign aid. Frankly, this year I do not think we spent enough. What is it designed to do? It is designed to help people feed and clothe themselves and to promote democracy. We have the Agency for International Development. I saw their work in Siberia about 2 months ago. Some of the things they are doing are very impressive.

What is the Agency for International Development designed to do? To make them think well of the United States and help them create and maintain democracies. And then the United States Information Agency, a half-billion dollars. What do they do? Why, they broadcast all over the world the joys of democracy.

When you add it all up, it comes to between $13 billion and $15 billion. What is this $30 million doing? I want you to read that Harper's article. When the president, Mr. Gershman, president of the National Endowment for Democracy, gets up, and these people have come from all over thinking that they were going to get a little largess for some of their own programs. They needed computers; they needed printers. And so the president gets up and he says to this crowd in this thick-carpeted ballroom in Zagreb:

> The National Endowment for Democracy is an independent, nongovernmental foundation which receives a grant from the Congress every year for the purpose of strengthening democracy around the world.

First of all, it seems almost an oxymoron to say this is a non-Government foundation operating on a Government grant. But he goes ahead to say:

We have a journal in which we publish essays and articles on democracy, and we organize research conferences on democracy. We're compiling a database which will soon be available over the Internet. We will hold our fifth World Conference on Democracy in Washington on May 1. We do work in 92 countries around the world. In China, Uzbekistan and, yes, the countries of this region.

The author of this article goes on to say:

> Among the more experienced of the participants, the change in manner is immediately evident. They've stopped taking notes. The 92 countries, the broad friendly smiles, the global visions of building democracy, you can see them adding it all up to conclude there will be no computers, no printing presses, no radio transmitters, no money for paper, no hands-on assistance of the kind the participants are quick to inform you is given to them by the representatives of George Soros, the American financier.

Mr. McCAIN. Will the Senator yield?

Mr. BUMPERS. Yes.

Mr. McCAIN. It was my understanding that the Senator from Arkansas said this debate was going to be brief. The Senator is making a lot of charges that I will feel compelled to respond to. The Senator from Arkansas said we are going to revisit this issue again.

Mr. BUMPERS. The Senator is correct. If he will——

Mr. McCAIN. If I could finish the question. If the Senator from Arkansas is going to continue to belabor these organizations, then I will feel compelled to respond, and we will be here for a long period of time.

So I ask the Senator how much longer we are going to debate this particular issue, in light of the fact that the Senator from Arkansas said we are going to do it again some time in the near future?

Mr. BUMPERS. The Senator makes a very good point. I withdraw the amendment.

So the amendment (No. 2845) was withdrawn.

Mr. SMITH. Mr. President, I ask unanimous consent to speak for no longer than 2 minutes as in morning business for the purpose of introducing a bill and an amendment.

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

The Senator from New Hampshire is recognized.

(The remarks of Mr. SMITH and Mr. CHAFEE pertaining to the introduction of S. 1285 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

(The remarks of Mr. SMITH pertaining to the introduction of S. 1286 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I believe that the Presidential candidates are involved in a conflict of interest in New Hampshire, since that State has retroactively asked for same day election day registration. We have an amendment in this bill that would allow them to do that and break the word of what the leadership on the other side said the conference report calls an election day escape hatch. This would encourage States to adopt same day registration procedures as a means of escaping the bill's requirements. That came from the bill's manager on the other side.

Mr. President, what is a Presidential candidate to do if he is on the record opposing an election provision that turns out to be supported by the State where the first primary is held? By the looks of the Commerce/Justice/State Appropriations bill, you hope like the dickens that nobody notices.

But, Mr. President, I noticed.

This appropriations bill includes a committee amendment to the National Voter Registration Act Of 1993—better known as motor-voter. This committee amendment benefits two States—New Hampshire and Idaho—by changing the effective date of the exemption in the Act of States that had already enacted election day registration or had no registration requirement. That specific date—March 11, 1993—was included to prohibit any other State from avoiding the law. The committee amendment would undo that prohibition for these two States.

New Hampshire and Idaho enacted legislation with retroactive effective dates in an attempt to take advantage of the limited exemption in the act. Because of a court challenge to the New Hampshire retroactive law, we are being asked to adopt an amendment to retroactively change the motor-voter exemption deadline.

So, in the case of these two States we are enacting a retroactive provision to a Federal law that will validate a retroactive provision in a State law that was enacted to avoid that very Federal law. This a curious amendment with a ridiculous result.

It is important to note that this specific date was not only proposed by the Republican floor manager, but both he and the Republican leader and Presidential candidate actively promoted it. In fact, they both cited inclusion of that deadline in the exemption provision as an improvement to the bill.

So while the committee amendment appears to be merely a technical or insignificant change affecting only two States—it is clearly an attack by opponents to weaken the motor-voter law by permitting more States to avoid its implementation. But even worse, it creates an incredible conflict of interest for every one of our many Republican Presidential candidates, because it would directly affect voter registration for the New Hampshire primary.

A similar exemption provision in the bill vetoed by President Bush in the 103d Congress was singled out for criticism in his veto message. President Bush attacked the exemption as an inducement to States to adopt same-day registration laws. I responded to that charge, when it was made by the Republican floor manager during debate on the veto over-ride, by pointing out that the exemption was intended to grandfather only those States that had already adopted such laws. It was not intended as an inducement to other States to adopt election day registration.

To overcome an impasse during our consideration of the motor voter bill, the Republican floor manager submitted nine amendments to me that the opponents considered to be necessary changes to the bill. The first ''must do'' change was an amendment to set a date certain, March 11, 1993, as the deadline by which a State must have enacted the required legislation in order to be exempt from the requirements of motor-voter. Because it was consistent with, and reinforced, the original intent of the exemption provision, I included it in the amendment I offered at the conclusion of bill negotiations.

The House bill, H.R. 2, included an exemption without a specific date that was intended as an option to the States. The two Houses were clearly not in agreement regarding the exemption provisions of the two bills. The conference resolved this disagreement by including the Senate date certain deadline version in its report.

When the conference report was taken up in the Senate, the Republican floor manager stated, with regard to the exemption:

> Republicans slammed the escape-hatch shut. No longer is this bill a backdoor means of forcing States into adopting election day registration or no registration whatsoever. . . . Republicans succeeded in grandfathering in the five States that would have qualified for the exemption prior to March 11, 1993.

He then related that officials from Michigan, Illinois, and South Dakota had contacted him to urge that the escape hatch be left open so they could opt out from the law. The Republican floor manager then commented, with regard to these States,

> . . . their constituents are better served by the closing of the escape hatch than if it had been left open.

In remarks regarding the conference report, the Republican leader commented that the conference report was an improvement over the original bill because among other Republican amendments, it included the exemption provision. He stated,

> the conference report closes the so-called election day escape hatch. This loophole would have encouraged States to adopt same-day registration procedures as a means of escaping the bill's requirements.

It was clear that both the Republican floor manager and the Republican leader considered this exemption provision with its date certain deadline to be an important provision because it closed off the exemption for all but the five States that had enacted legislation as of the deadline of March 11, 1993.

The legislative history in the House reflects this as well. A House conferee who supported an open exemption as ''a strong incentive for States to move toward . . .'' same day registration stated that:

> some Members in the other body voiced strong concerns over this language, and the conference agreed to grandfather this provision, making the exemption apply only to States that had same day registration as of March 11, 1993.

This committee amendment is not only contrary to the law and our intent, it is also bad policy and reeks of Presidential politics. It will undo a clear policy decision of the Congress and invite other States to avoid Federal legislation by revising exemptions. Is it the purpose of the proponents of this amendment to encourage election day registration or the elimination of registration altogether?

I would remind the junior Senator from Kentucky of his comment regarding the requests of officials from Michigan, Illinois and South Dakota to keep the exemption open for future State compliance. If he supports this amendment, may we expect him to extend an invitation to those officials from Michigan, Illinois, and South Dakota to request additional extensions so their States may also be exempted? Or is this amendment only an attempt to accommodate the State election officials of the first Presidential primary State?

The underlying assumption of this amendment appears to be that Congress considered election day registration to be on a par with the requirements of the motor-voter law. Again, a review of the legislative record shows that this is just not the case. Those supporting the closed exemption were opposed to election day registration. The Republican leader attacked it with the comment that:

In many areas same-day registration is a prescription for fraud and corruption.

House conferees argued for an open exemption that would encourage States to adopt election day registration or no registration. Their position reflects a policy that such provisions are equal to or better than the provisions of the motor-voter law. I would argue that the conference, in refusing to accept that position and in agreeing to the Senate's closed exemption, did not agree.

I am equally concerned that the effect of this amendment is to make moot ongoing litigation. In the case of New Hampshire, the State enacted legislation with a retroactive effective date in an attempt to slip in under the exemption. That action is being appropriately challenged in the courts by State organizations and voters who seek compliance with motor voter. I do not think it is appropriate or good policy for the Senate to directly interfere with ongoing litigation.

It is interesting to note that when the motor voter bill was under consideration in the Senate, the Republican leader praised the floor manager for closing the election day registration escape hatch. Now, just 2 years later, Republicans propose to open that hatch for two more States and permit those two States to avoid implementing the motor voter law.

One might reasonably ask, what has happened in the past 2 years to account for this change? Do Republicans now favor election day registration? Or, do Republicans wish to avoid compliance with the motor voter law in as many States as possible by whatever means possible?

Recent events support the latter position. Rather than comply, some states led by Republican governors have initiated court challenges to this law. So far none have succeeded. The courts have upheld this law and have ordered the States to comply. As I have already noted, New Hampshire would directly benefit by this amendment. New Hampshire is involved in litigation to compel its compliance—and we are asked to intervene by changing the law to render that litigation moot.

This should be seen for what is clearly is, another attack on the implementation of the motor voter law and an attempt to curry favor with election officials in the all-important primary State of New Hampshire. My Republican colleagues appear willing to take this route even though it represents a complete about-face from the position they fought for just 2 years ago.

I think it is clear why implementation of the motor voter law is under such attack. The law is working. And it is working well. Since the law became effective January 1, States that are implementing it are experiencing extraordinary registration activity. The National Association of Secretaries of State recently adopted a resolution that includes the finding:

Preliminary statistics show the voter registration programs mandated by the Act to be successful at providing citizens access to the voter rolls. In the first six months, over 4 million new voters have been added to voter lists nationwide . . . .

A recent New York Times article noted that more than 5 million Americans have been added to the rolls so far this year. It notes that political experts characterize this registration activity as ''the greatest expansion of voter rolls in the Nation's history.'' The article also states that ''Estimates are that by the turn of the century, if the surge generated by the new law continues, at least four of every five adult Americans will be registered to vote, compared with about three of every five now.''

The figures cited in the Times article are truly amazing. It states that this year Georgia registered 303,000 new voters between January and June, compared with only 85,000 for all of last year; Alabama registered about 43,000 in the first quarter and only 23,000 during that same period last year; Kentucky added 77,000 the first quarter this year compared with 23,000 in all of 1994 and Indiana added 64,000 new registrations the first quarter this year and only 5,400 during that period last year.

These registration figures for this year show that the law is working, and that it is working very well. I guess that some view the increased voting rolls produced by the States under this act to be a threat. A threat that must be attacked in the States, in the courts and in the Senate. What are they afraid of? More people voting? That is what democracy should be about. I welcome its success. I welcome a registration system that reaches out to all eligible citizens to assure that they are able to cast ballots on election day.

With a veto likely on this bill, now is not the right time to propose an amendment to strike this provision. But in closing, I want to make one thing clear to the proponents of this provision, I will continue to resist this and any other attempt to undo or weaken a law that has directly encouraged 5 million more Americans to become involved in our democratic process.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, it has been a long process in putting this bill together. It represents a dramatic change in public policy. The President has said he is going to veto the bill.

The American Government is about choices. What we have provided here is a bill which dramatically reduces spending below the level proposed by the President. We have provided a bill, despite some modest adjustments that we have made in the amendment process, some of which I have supported, some of which I have not supported, which dramatically changes the way government does its business.

We have sent forward the strongest crime provisions in an appropriations act in my Senate career. We have a bill that substantially reduces funding in the Department of Commerce. It still remains to be decided by the Senate whether or not we will eliminate that Department.

We have a very tight budget for the State Department, and, under the circumstances, a fair budget. It is clear that there are changes that I, as a Member of the Senate, and others would like to make that cannot be made.

It is clear that the U.S. Senate supports quotas, supports set-asides, and even though the American people in overwhelming numbers reject them, it is clear that there is not support in the U.S. Senate to have a merit-based program for hiring, for promotions and for contracts.

I am confident that some day there will be a majority which will support merit-based selection. That majority, however, does not exist today, we have proven this on many occasions and I do not think we would benefit ourselves by proving it again today.

UNANIMOUS-CONSENT AGREEMENT

Mr. GRAMM. I have a unanimous-consent request that I believe will complete the bill. I would like to read that unanimous-consent request now.

Mr. President, I ask unanimous consent that the following committee amendments be withdrawn—Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, let me begin again on the unanimous-consent request.

I ask unanimous consent that the following committee amendments be withdrawn: the amendment beginning on page 143, line 13 through page 145, line 18; and the amendment beginning on page 151, line 16, through page 159, line 6; and all remaining committee amendments be agreed to en bloc; that there be one amendment to be offered by each manager which will contain the cleared amendments by both sides of the aisle. The bill will be advanced to third reading and final passage occur without any intervening action or debate.

Mr. DASCHLE. Reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, I renew my unanimous consent request.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Democratic leader.

Mr. DASCHLE. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, I renew my unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. No objection.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, could we have it restated again? I am not sure what we are being asked to consent to.

Mr. GRAMM. Mr. President, I ask unanimous consent that the following committee amendments be withdrawn. The amendment beginning on page 143, line 13 through page 145, line 18, and the amendment beginning on page 151, line 16 through page 156, line 6, and that all remaining committee amendments be agreed to en bloc, that there be one amendment to be offered by each manager which will contain amendments cleared on both sides of the aisle, that the bill be advanced to third reading and final passage occur without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object, you said without any intervening debate? You just got done telling me I was going to have time to debate it.

Mr. GRAMM. Mr. President, I amend the unanimous consent request to drop the words ''or debate.''

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. GRAMM. Hallelujah.

Mr. DOLE. Mr. President, under the unanimous consent agreement just adopted, the committee amendment adding the text of the Equal Opportunity Act to the underlying bill has been withdrawn.

After a lengthy process of consultation and drafting, I introduced the Equal Opportunity Act earlier this year. The act has been referred to the Labor Committee. This past June, the Labor Committee held hearings on Executive Order 11246, one of the Federal Government's major affirmative action policies. And I expect the committee to hold hearings on my bill sometime later this year.

The Small Business Committee, at my request, has also held hearings on the SBA's section 8(A) set-aside program. And the Subcommittee on the Constitution, under the leadership of Senator HANK BROWN, intends to convene a general series of hearings on affirmative action as it operates in both the public and private sectors. One hearing has already occurred. The next hearing will probably take place sometime in October.

In my view, inserting the Equal Opportunity Act into this appropriations bill would have short-circuited the hearing process and, in fact, would have harmed the bill's chances for passage in the Senate.

Of course, I strongly support the Equal Opportunity Act because I believe the Federal Government should be in the business of uniting all Americans, not dividing us through the use of quotas, set-asides, and other preferences. In fact I view the Equal Opportunity Act not only as a piece of legislation, But as an opportunity to bring Americans together in a thoughtful, rational discussion about race in America. This discussion is long overdue.

So, Mr. President, I look forward to continued hearings on this important issue. And I fully expect the Senate to consider the Equal Opportunity Act at an appropriate time in the near future.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend. The Senate will please come to order.

Mr. GRASSLEY. Mr. President, In the managers' amendment there is a whole new program for a subsidy for the maritime industry. At 5 minutes to 9 on a Friday night, when we are not normally in session, before we are going to take a week's vacation, it does not seem to me that we should be passing a whole new program without some mention to the taxpayers of this country.

Since January or February the whole approach to this new program has been a very careful one-man show behind the scenes to, in a stealthy way, get this program out of the authorization committee with as little attention as possible, promising as much as you could to keep people quiet.

So, I rise to first of all tell the people of this country about this new program that has operating subsidies and a shipbuilding loan guarantee for the maritime industry. I oppose it because virtually every truly independent analysis of the maritime subsidies and protectionist programs have concluded that they have little or nothing to do with our defense needs. Remember, these programs of subsidies were started in the 1930's, the 1940's, the 1950's, to provide ships for our defense needs. When these programs started we had 1,100, 1,200 ships. Today we have between 250 and 300 ships. So you know the old saying, you subsidize something you get more of it? In this particular case it does not work.

This ends up being a waste of the hard-earned money of America's taxpayers and consumers. In all my years in Congress I fought hard to uncover and eliminate waste, fraud and abuse within the Federal Government. I fought waste in a wide range of programs. This week we won a victory for the taxpayers by eliminating AmeriCorps. And I fought hard against $1,800 toilet seats and $400 hammers, money squandered by the Pentagon in the name of national defense.

Maritime subsidies are, as well, supposedly for the national defense. Yet, during the last war we were involved in, the Persian Gulf war, 86 percent of the materiel that went by ship was not shipped on commercial American flagged ships. We do not have the capacity for doing that because we have had a program that was supposed to work for the national defense and it has not worked.

So, maritime subsidies, in the false name of national defense, I think, after 4 decades, we ought to conclude, squander taxpayers' money as well.

Historically, anyone who has scrutinized maritime programs has come under fierce public attack by the maritime industry's Washington lobby. My motives have been criticized because I come from an agricultural State.

Let me admit, initially my interest in the maritime programs was limited to its impact on agriculture, because our maritime, through its back-door, hidden cargo preference subsidy, not only undercuts our ability to develop and expand overseas agriculture markets but also, and more tragically, cargo preference literally takes food out of the mouths of hungry people and starving people around the world. Simply, the money that otherwise could have gone to send more food to the starving is eaten up by the outrageous rates charged by U.S. flag maritime companies, sometimes three to four times the world rate.

But it soon became apparent to me that most of the burden of our maritime subsidies and programs is shouldered by the Defense Department in terms of cargo preference and by the American consumers, laborers and businesses, in terms of the Jones Act.

But one of the fascinating things about my long journey in trying to expose and stop this maritime waste is the type of attack directed at me. It surprises me that the Defense Department and the defense industry has not used this attack—in short, why has not the defense community argued that they are entitled to spend $1,800 on toilet seats? After all, farmers get subsidies. Probably, the fact that this is such a ridiculous argument is the reason that the Defense Department has not used it. But that certainly has not stopped the maritime industry.

Of course there is a big difference. Farm programs are scrutinized publicly and intensely every few years, if not every year during the budget process.

When is the last time we have had full-scale hearings, bringing in supporters and opponents to the maritime programs?

The Commerce Committee held one hearing in July of this year to discuss the so-called Merchant Marine Security Act. Only supporters were invited. Not only were maritime program critics not invited, but their requests to testify were denied as well. Talk about a one-sided story promoted by a committee of the Congress. Then, before the Commerce Committee, written questions were even answered by those testifying, the bill was rushed through by a voice vote.

Yesterday, there was considerable discussion about recommitting to a committee a nomination because new information was provided subsequent to committee action. Well, today, I am submitting for the RECORD information directly related to the Merchant Marine Security Act and directly related to the pending amendment that is in the managers' amendment from the other side. I am convinced that my colleagues on the Commerce Committee did not have this information. If they had it, there is no way they could support S. 1139, the Merchant Marine Security Act.

I want my colleagues to know that what I am about to read is not this Senator's opinion. Instead, this information is the culmination of months of work by maritime experts from 16 different Government agencies, executive branch agencies—not a congressional study, not a GAO study, not a private think-tank study, but a study by 16 Government agencies of the executive branch.

This memo I think is explosive and sets a lot straight. This memo is entitled ''Memorandum for the President''—meaning memorandum for President Clinton. It is from Robert Rubin. Robert Rubin is now the Secretary of the Treasury, as you know. The subject: Decision memorandum on maritime issues.

It is dated, the White House, Washington, June 30, 1993. Purpose of the memo: This memorandum asks you to decide—meaning asking the President to decide, from the Robert Rubin who is now Secretary of the Treasury—asks you to decide on the level and form of subsidies to be given to various U.S. maritime industries.

So this decision is asked to be played at the highest level of our Government, the President of the United States.

Now, for background, because there are paragraphs here on background.

The U.S.-Flag Fleet. The U.S.-flag fleet is engaged in both domestic and international trade. Ships in domestic trades are permanently protected from foreign-flag competition by the Jones Act. This memorandum describes options to subsidize ships that are employed in international trade and therefore subject to competition. The international trade fleet consists of 95 liners (ships designed principally to carry goods in containers) and 60 bulkers (ships that carry loose cargo such as liquids and ore).

The principal issue in this memorandum is whether expiring direct subsidies should be replaced with new subsidies for U.S.-flag liners. (No agency supports direct subsidies for bulkers). If no new program is announced, most U.S. liners are likely to reflag their vessels. The reflagged ships would still be owned and controlled by U.S. firms; their U.S. crews (about 10,000 seafarers) would be replaced by foreign mariners. A related issue is whether the plethora of indirect subsidies that now support a wide range of maritime interests should be expanded., maintained or phased-out.

Budgetary Context. Option 1 would require DOD to shift defense outlays; it would be deficit neutral. Options 2 and 3 would increase mandatory spending. Under the Budget Resolution, offsets would have to be identified to make the proposals deficit neutral. Options 2 and 3 would also result in savings on the discretionary side of the budget from the phase-out of existing subsidy programs. While these savings could be used for new discretionary outlays, they could not be used as offsets for any new mandatory spending.

Then it goes on in more detail from the Secretary of the Treasury to President Clinton.

Option 1. Require DOD to Support U.S.-Flag Ships Needed for Defense:

Rationale. Subsidies for the U.S. flag fleet have always been justified by their role in providing a sealift capacity for use in military emergencies. With the end of the Cold War DOD's sealift requirements have declined. Although DOD's bottom-up review is not complete, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Commander of the Transportation Command have already concluded that future requirements will not exceed 20–30 liner vessels. DOD will have no need for bulk vessels. All agencies therefore oppose renewal of direct subsidies for bulkers. This option would meet DOD's maximum military requirements.

Description. DOD would be directed to spend $60 million annually on contracts with ship operators to provide DOD with the services of up to 30 U.S.-flag liners in times of military need. New contracts would be phased-in as current subsidies expire or are terminated. If U.S.-flag ships are subsidized through other means, such as Option 2 or Option 3, DOD would be allowed to spend its limited resources meeting more pressing defense requirements.

Under this option, the Administration would oppose the expansion of indirect maritime subsidies. [Alternatively, the Administration could, as many agencies recommend, seek the phase-out of any indirect subsidies not required to meet a specific military need.]

Budget Cost. This option would subsidize U.S.-flag liner ships by reprogramming money already in the DOD budget (DOD plans to obtain the funds by retiring 29 breakbulk ships from the Ready Reserve Fleet). The option would be deficit neutral.

Arguments in favor: These subsidies would provide for genuine defense needs, and therefore would enjoy broad support. By subsidizing 30 of the 52 liners now under contract, this option would sustain 1,500 seafaring jobs and about 750 landside jobs. Indirect subsidies come at the expense of other U.S. industries and hinder the missions of other Executive Branch agencies.

There is one argument that Secretary Rubin gave to the President to be against this.

Provides less support than is sought by the industry and its supporters.

I ask unanimous consent that the rest of the Rubin memo be included in the RECORD.

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

Option 2. Increase Direct and Indirect Subsidies to Maritime Interests:

Rationale. This option is designed to keep most of the existing U.S.-flag liners in foreign trade sailing under the U.S. flag, regardless of defense needs.

Description. The option has four main elements:

(1) Increase to 79 from 52 the number of liner ships receiving direct payments. DOT would be authorized to sign 10-year contracts at $2.5 million per ship per year in the first four years, and $2.0 million per ship per year in the last six years. In the first two years, new contracts would be limited by savings made available from the existing program.

(2) Allow non-subsidized, foreign-built vessels to receive subsidies.

(3) Provide $200 million in FY94–96 for Title XI loan guarantees to U.S. shipyards.

(4) Do not Oppose Congressional efforts to expand indirect maritime subsidies.

Budget cost: Over 10 years, this option would increase mandatory outlays by $1.7 billion, while decreasing domestic discretionary outlays by $567 million.

Arguments in favor:

This option contains subsidies for liners, bulkers, and shipyards in order to win support for the proposal from the widest range of maritime interests.

Subsidizing 79 ships would sustain 4,000 seafaring jobs and about 2,000 landside jobs.

Since foreign-built vessels may be less expensive, this option could reduce carriers' costs.

Arguments against:

Subsidizing 79 vessels is unnecessary. This would be two to three times the maximum number of ships DOD estimates are needed to meet its sealift requirements.

The NEC Principals found no evidence that this segment of the maritime industry was of strategic importance to the economy. The U.S. has no competitive advantage in the industry; the industry neither protects nor enhances U.S. exports. Subsidizing carriers simply to preserve jobs would leave the Administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

Immediate funding for Title XI loan guarantees is premature. All agencies, including DOT, support the efforts of the congressionally-mandated Working Group on the U.S. Shipbuilding Industry. The Working Group will present options to assist shipyards to the relevant Cabinet members later this summer (see TAB B).

Greater indirect subsidies would come at the expense of other U.S. industries and hinder the missions of other Executive Branch agencies.

Option 3. Provide Direct Subsidies to a Limited Number of U.S.-Flag Liner Ships:

Rationale. This compromise option is designed to subsidize a U.S.-flag fleet that will meet defense needs and, if desired, keep additional U.S.-flag vessels employed in the international trades. The option would limit the number of liners receiving subsidies to a range that could be more readily justified to critics—between 30 ships (DOD's current estimate of its maximum need) and 52 ships (the number of liners currently under contract).

Description. Provide direct payments to between 30 and 52 liner ships. DOT would be authorized to sign 10-year contingency contracts providing $2.5 million per ship per year in the first four years, and $2.0 million per ship per year in the last six years. New contracts in the first two years would be limited to savings made available from the existing program.

Under this option, the Administration would oppose the expansion of any indirect maritime subsidies. [Alternatively, the Administration could, as many agencies recommend, seek the phase-out of any indirect subsidies not required to meet a specific military need.]

The Administration would oppose—as premature—funding for loan guarantees until NEC Principals consider options developed by the Working Group on U.S. Shipbuilding.

Budget Cost. Over ten years, direct subsidies for 30 ships would increase mandatory outlays by $500 million, while reducing domestic discretionary outlays by $358 million. Direct subsidies for 52 ships would increase mandatory outlays by $975 million and reduce domestic discretionary outlays by $358 million.

Arguments in favor:

Would provide the industry with more money and longer contracts than Option 1.

This option would sustain 1,500–2,500 seafaring jobs and about 750–1,250 landside jobs.

Restricts or eliminates indirect subsidies that come at the expense of other industries or hinder the missions of other Departments.

Arguments against:

Provides less support than sought by industry and its supporters.

RECOMMENDATIONS

Fifteen Executive Branch Agencies support Option 1. The Department of Transportation supports Option 2. A compromise proposal is provided by Option 3. In addition to the strengths and weaknesses of each option, these recommendations reflect different views about the economic and strategic importance of liner ships engaged in international trade, as well as the extent of Congressional support for maritime subsidies. These views are noted in TAB C.

DECISION

_____ Approve Option 1.
_____ Approve Option 1 as amended.
_____ Approve Option 2.
_____ Approve Option 2 as amended.
_____ Approve Option 3.
_____ Approve Option 3 as amended.
_____ Take No Action.
_____ Discuss Further.

Tab A: Background on Current Maritime Subsidies

The federal government now subsidizes ship operators through a variety of programs, including:

(1) Operating Differential Subsidies. Under the ODS program, the federal government entered 20 year contracts with U.S.-flag operators. These contracts provided that the federal government would pay the difference between wages on U.S.-flag ships and wages on their principal competitor's foreign-flag ships; in some cases, the government also undertook to pay the differential on other costs such as maintenance and repair. ODS contracts now cover 52 liner ships and 28 bulk ships. ODS payments in 1993 are expected to total $244 million, for an average per ship subsidy of about $3.0 million.

To qualify for ODS payments, vessels must meet a number of restrictions. ODS liners must: be U.S.-built, U.S.-flag, and at least 51 percent owned by U.S. citizens; provide service on ''essential trade routes''; receive approval from the Maritime Administration before: altering trade routes; affiliating with foreign-flag service; or operating in domestic trades.

(2) Ocean Freight Differential (cargo preference) program. Cargo preference laws require certain federal programs to ship between 50 and 100 percent of their cargo on U.S.-flag ships. OMB estimates that in 1993, cargo preference requirements will increase government shipping costs by about $590 million over shipping rates. These costs will be borne by the Department of Defense, Agriculture, Transportation, State, the Agency for International Development, and the Export-Import Bank.

(3) Capital Construction Funds (CCFs). Owners of U.S.-flag, U.S.-built ships may shelter income by placing it in a CCF. Taxes on both the income placed in a CCF and the interest earned by the CCF are deferred indefinitely. CCF balances are now approximately $1.2 billion.

(4) Title XI. Under this program, the federal government guarantees private loans made to the purchasers of U.S.-built ships. Loans were last guaranteed under this program in 1992. In 1993, $48 million was appropriated for the program, but no loans were guaranteed. No funds were requested for this program in the President's FY 1994 Budget. The government's outstanding contingent liability under this program now stands at about $2 billion.

(5) Jones Act. Like most other seafaring nations, the U.S. provides cabotage for its ship operators—all domestic waterborne trade must be carried on U.S.-flag, U.S.-built ships. The Jones Act fleet accounts for about 50 percent of the privately-owned oceangoing U.S.-flag fleet.

(6) The Shipping Act of 1984. Since 1916, the U.S. has allowed U.S. and foreign carriers serving U.S. trades to participate in international shipping cartels known as conferences. The Council of Economic Advisors and the Department of Justice estimate that the Act raises shipping prices at least 10 to 15 percent, providing U.S. and foreign carriers with a subsidy valued at $2–3 billion per year (because of their low market share, U.S. carriers receive only 20 percent of this subsidy). The Federal Maritime Commission disputes these results, and asserts that Conferences have little effect on long-term shipping prices.

Shippers continue to press for relief from strictures imposed by the Act, and are likely to try and block any new subsidies for carriers without some action to address their concerns. The law regulating conferences was last amended in 1984. In 1990, the Advisory Commission on Conferences in Ocean Shipping brought together carriers shippers to seek consensus on further changes to the Act. No agreement was reached.

Tab B: U.S. Shipbuilding and Current Administration Efforts to Assist the Industry

Large U.S. shipyards are now almost completely dependent on the Navy. Of the 87 ships currently on order or under construction, 86 are for the Navy. With the drawdown in defense spending, naval orders are expected to decline substantially. The problems faced by U.S. shipyards are thus similar to those faced by other defense contractors—namely, how to shift from military to civilian production.

The U.S. industry is currently not competitive in the global market. It is less efficient than its foreign competitors and has had little experience in the commercial market since the early 1980s when the U.S. ended construction differential subsidies and increased naval orders. U.S. yards are also disadvantaged by the subsidies granted by foreign governments to their own shipyards. As a result, U.S.—built ships are more expensive than foreign-built ships. According to the ITC, price differentials have reached 100 percent.

The Bureau of Labor Statistics estimates that U.S. shipyards employed 123,900 workers in 1992 (down from 171,600 in 1982). The shipbuilding industry estimates that, absent government assistance, 70,000 more shipbuilding jobs could be lost. Even with government assistance, however, shipbuilders estimate that the transition from military to civilian production will lead to a loss of 20 percent of current employees as some skills will no loner be needed.

ACTIONS CURRENTLY UNDERWAY BY THE ADMINISTRATION

All agencies support the following Administration efforts now underway:

1. Seek to Reinvigorate Negotiations to Eliminate Foreign Shipbuilding Subsidies. U.S. negotiators are currently engaged in efforts to restart negotiations on the elimination of foreign subsidies. The elimination of such subsidies has been one of the key objectives of the U.S. shipbuilding industry.

2. Explore the Possibility of Working with Congress on Legislation to Support this Effort. In the last Congress, bills were introduced in both the House and the Senate providing the means to retaliate against ship carriers who purchased subsidized foreign-built vessels. These measures are intended to speed multinational agreement on the elimination of foreign shipbuilding subsidies. Agencies are exploring the possibility of working with Congress on legislation this year.

3. Prepare Congressionally-Mandated Plan for the U.S. Shipbuilding Industry. The FY 1993 National Defense Authorization Act required the Administration to establish a working group charged with preparing a plan to help U.S. shipbuilding industry become competitive in international commercial markets. The working group is considering a series of measures, including the use of Title XI loan guarantees for ship construction, defense conversion funds, ARPA R&D projects, and Export-Import financing. The group will present its proposals to the relevant Cabinet members this summer, so that the Administration can submit a plan to the Congress by the statutory deadline of October 1, 1993.

Tab C: Differing Views on U.S.-Flag Ships Engaged in Foreign Trade

Political Concerns

(1) Strength of Congressional Support: Secretary Peña believes there to be broad, bipartisan Congressional support for maritime subsidies. The Secretary believes that maritime supporters have enough votes to pass a maximalist package without support from the Administration. If you do not announce such a package now, the Secretary fears that you will lose an opportunity to demonstrate leadership.

The Director of OMB disagrees with this assessment. In the current budget environment, he believes that there will be far less support for direct and indirect maritime subsidies. He argues that Congress might even reduce the level of subsidies, including those indirect subsidies that come at the expense of other industries, such as agriculture and manufacturing.

(2) The Political Cost of Delay: A number of maritime bills have been introduced in Congress. To date, the Administration has delayed taking a position on these bills pending the completion of its review of maritime policies. Secretary Peña believes that further delay will generate ill feelings on the Hill.

(3) Congress will Support Subsidies to Ship Operators Only If Immediate Subsidies Are Provided to Shipyards: Secretary Peña believes that no new direct subsidy program

can pass in Congress without including immediate new funding for shipyards.

Economic Concerns

(1) DOT: Without a U.S.-flag fleet engaged in foreign trade, U.S. exporters would be held hostage to the fleet of nations with which we might have trade disputes.

Other Agencies: The worldwide carrier industry is highly competitive, making the possibility of being held hostage highly remote. Moreover, U.S. exporters will always be able to ship cargo on U.S.-owned, foreign-flagged ships (although these ships have foreign crews, they are owned and controlled by U.S. interests).

The Alliance for Competitive Transport, the coalition of major American exporters and importers, has made clear that it does not believe that its interests would be harmed by the reflagging of the Merchant Marine, as long as the ships remained U.S. owned and controlled.

(2) DOT: A new ten-year program will lead to increased efficiencies in the Merchant Marine that will make further subsidies unnecessary.

Other Agencies: Subsidies are needed principally to offset the higher wages of U.S. mariners. DOT has presented no evidence that this program would eliminate the wage differential between U.S. carriers and their foreign competitors.

(3) DOT: The government must subsidize more ships than it needs for defense purposes or risk crippling the commercial shipping industry in times of military emergency.

Other Agencies: U.S. ship operators will enter contingency contracts only if they believe that yielding their ships to the government in times of emergency will not cripple their commercial operations. If their ships were used during emergencies, ship operators would continue operations through their U.S. owned, foreign-flag affiliates, and by contracting out to foreign owned companies.

(4) Department of Transportation: Some maritime supporters will argue that DOD is not meeting its defense needs in the most cost-effective manner. Critics will claim that DOD plans to spend $6–7 billion over the next few years to purchase ''roll-on, roll-off'' (RORO) ships with a sealift capacity that could be purchased more cheaply through subsidies to maintain a large U.S.-flag Merchant Marine.

Department of Defense: DOD will spend $4.5 billion between now and the year 2000 to acquire RORO ships. However, these ROROs are not available in the current commercial fleet, nor would these ships become available under any new liner subsidy program. ROROs are specialized ships that allow rapid loading/unloading of vehicles and can achieve high speed on the open ocean. Reliance on the Merchant Marine to serve the specialized function of ROROs would seriously compromise DOD's ability to deploy U.S. forces in time to meet anticipated threats overseas.

Mr. GRASSLEY. Mr. President, after reading that memo, I want to tell my colleagues that this option was the overwhelming pick among these agencies. Fifteen executive branch agencies supported the option that I just read from Secretary Rubin to President Clinton. Only one agency objected, and that lone agency was the Department of Transportation.

Now, the Defense Department was willing to pay for this option. Yet, the Transportation Department opposed. Why? Why would the Department of Transportation oppose the Defense Department paying for these maritime subsidies, but subsidies limited to meeting our true defense needs, not one ship more than what the Secretary of Defense said we needed?

Now, of course, we all know that the President of the United States is a busy man. And so, in preparing a decision memo, you want to make certain that you put your absolute most important arguments front and center.

The 15 agencies had a number of important arguments in favor of this option. First and foremost in importance is the fact that the Secretary of Defense, the Chairman of Joint Chiefs of Staff and the Commander of the Transportation Command said the real defense needs could be met with as few as 20 U.S.-flag ships.

Second, it was argued by these 15 agencies that ''Option one'' would sustain 1,500 seafaring jobs and 750 landside jobs.

And third, they argued against indirect subsidies such as cargo preference by pointing out that ''indirect subsidies come at the expense of other U.S. industries and hinder the missions of other executive branch agencies.''

Mr. President, surely the Department of Transportation had a number of powerful and persuasive arguments against this cost-effective option supported by 15 agencies. Transportation must have been able to argue to the President important meritorious points that our Defense experts are wrong, that we need to subsidize more U.S.-flag vessels to meet our real defense needs.

But what was Transportation's best arguments? Well, first, it must have been good, because Transportation only offered one argument against it.

And since the lone Transportation Department prevailed over 15 other agencies, it must have been a very good argument, you would surmise. After all, President Clinton was convinced, and he is pushing a Merchant Marine Security Act that funds 52 vessels recommended by the Department of Transportation, not the 20 recommended by the Department of Defense. And it must have been good because a House committee and a Senate committee have both approved these new subsidies for 47 to 52 vessels.

So what then was this powerful argument by the Department of Transportation? And here I wish to read again for my colleagues.

Arguments against. Provides less support than is sought by industry and its supporters.

Mr. President, did my colleagues hear the reason that the President decided to go along with the Department of Transportation as the only one of 16 Government agencies that thought we ought to subsidize 20 ships, and instead the President went along with the agency that wanted to subsidize 52 ships?

The only argument against our top defense officials and 14 other agencies is that the maritime industry—get this—that the maritime industry and its supporters want more!

I will read again from the memo from the Secretary of the Treasury to the President of the United States what these other 15 departments wanted. It says right here, ''Provides less support than is sought by the industry and its supporters.''

And for no more than these flimsy reasons, Congress within just a few minutes is about to give maritime what it wants. So much then for the revolution that was ushered in in the 1994 elections!

This memo to the President is chock full of amazing arguments. Get this. Transportation Secretary Pena strongly argued for the President to squander tax dollars by subsidizing 79 vessels, two to three times what the Defense Department said it needed for sealift requirements.

If President Clinton did not advocate subsidizing 79 vessels, Secretary Pena ''fears that you will lose an opportunity to demonstrate leadership.'' Pena also argued, ''Further delay will generate ill feeling on the Hill.''

Now, Secretary Pena is saying to his own President that you better do what I say and recommend, because if you do not, I fear that you are going to lose an opportunity to demonstrate leadership.

I hope the Secretary is listening and watching because I have a message. Forget about generating ill feelings on the Hill. Voters took care of many of those last November, and you can bet your bottom dollar that your idea of ''losing an opportunity to demonstrate leadership,'' is 180 degrees opposite what the voters and overburdened taxpayers expressed in the last election.

So, Mr. President, the military or national defense arguments in favor of this amendment as well as for the so-called Merchant Marine Security Act are simply bogus. This memo that I have been reading from is absolutely clear evidence that the national defense arguments for merchant marine subsidies are a sham.

That is not just the opinion of the military experts who participated in this 16-agency effort, for during the Bush administration these agencies participated in a similar maritime review. The point person for this effort, representing the Defense Department, was former Defense Assistant Secretary Colin McMillan.

I have a copy of his memo to other task force members. In short, he said back during the Bush administration, ''The issue of U.S. flag companies reflagging if we don't give them more subsidies is not''—I wish to emphasize is not—''a defense issue.''

Assistant Secretary McMillan concluded, ''The issue of two U.S.-flag container ship operators disposing of the U.S.-flag fleets is primarily an economic one and should be treated accordingly.''

Citizens Against Government Waste—we are all familiar with that organization—recently contacted Colin McMillan and included his comments in their May 24, 1995 report entitled

''Disaster at Sea. It's Time to Deep Six the Maritime Subsidy Programs.''

That is the name of their publication.

For my colleagues, if you are interested in this, this publication is an excellent, well-researched report which I am submitting for the record, but let me share with my colleagues what the former defense Assistant Secretary had to say now that he can speak candidly outside of the Bush administration.

McMillan called the subsidy program in the name of national security ''a big waste of taxpayers' money. These programs should be clear targets for elimination. Here we are talking about cutting programs for children and we're funding so-called defense programs that add nothing''—I wish to emphasize that add nothing—''to the defense of our country.''

Keep in mind that these candid remarks come from the former Defense Department expert on maritime subsidies and sealift needs. He is no longer part of the Defense Department and he is no longer working for an administration. He is not being paid by the maritime lobby, nor is he part of any organization that is being funded by the maritime lobby. So no one can question his motives.

Again, this maritime defense expert concluded that maritime subsidies in the name of national security is a big waste of the taxpayers' money.

He is not the only expert opposing maritime subsidies. I would like to share the ''Quote to Note'' from the August 3, 1995 Journal of Commerce:

> Nearly 50 years of subsidies have not prevented the demise of the U.S. merchant marine . . . Subsidies do nothing more than cause inefficiency, mediocrity, lack of incentive and a dependence upon Uncle Sam.

Mr. President, that statement was made by Harold E. Shear, who not only served our Nation as a U.S. Navy admiral but also as a Maritime Administrator.

As a memo to President Clinton points out, ''Subsidies for the U.S. flag fleet have always been justified by their role in providing sea lift capacity for us in military emergencies. With the end of the cold war DOD's sealift requirements have declined.''

So you see, Mr. President, no matter what the U.S.-flag merchant marine fleet may have meant to our Nation in the past to help with our defense, the subsidies have not only been unjustified, they have not worked in providing a strong merchant marine to meet our needs in wartime. I argue that subsidies have even been harmful to our maritime and if they have been harmful to our maritime, they have been harmful to our national security.

Well, then, maritime supporters turn the debate away from the issue of defense to that of economic security. This, too, is nonsense, according to Secretary Rubin's memo to the President. The memo reads as follows.

> The NEC principals found no evidence that this segment of the maritime industry was of strategic importance to the economy. The U.S. has no competitive advantage in the industry. The industry neither protects nor enhances U.S. exports. Subsidizing carriers simply to preserve jobs would leave the administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

This is amazing. Why have not the House and the Senate committees been able to pry this truth out of those testifying at their hearings on the maritime?

Not only is it no longer based upon the testimony of military experts that have a military need, but the argument, when that wears out, has turned to economic rationale for our own maritime ships. And even the administration principals argue that there is no economic justification for this program.

Well, I think we all know the answer to why this argument was not able to be made at the committees of the Congress this spring. Those testifying are expected to be team players. They are expected to be team players for the President who decided to throw away taxpayers' dollars for unnecessary subsidies for maritime companies and their high-priced executives and their labor unions.

And let us not kid ourselves. The real reason that we need to subsidize U.S.-flag vessels by the tune of $2 to $2.5 million per year is to cover the high costs of their labor unions.

Again, from the memo to President Clinton. Again, this is Secretary Rubin writing to President Clinton.

He says:

> Subsidies are needed principally to offset the higher wages of U.S. mariners. DOT [the Department of Transportation] has presented no evidence that this program will eliminate the wage differential between U.S. carriers and their foreign competition.

Mr. President, I have been arguing this truth for years. Most of my colleagues except the new Members have heard it on the floor of this Congress almost every year. And now we have proof that the maritime experts in 15 executive branch agencies in a Democratic administration agree with my position wholeheartedly.

But I surely was not the first who recognized this. A dozen years ago, Mr. President, the U.S. Navy Military Sealift Commander, V. Adm. Kent Carroll reported why our merchant marine was sinking.

He said 12 years ago:

> Why are we in such a mess? . . . one of the reasons is that U.S. crew costs continue to be the highest in the world. Monthly crew costs of U.S. flag ships are as much as three times higher than those of countries with comparable standards of living, such as Norway.

He did not say three times higher than poor, Third World seafarers. He said, three times higher than seafarers from countries with comparable standards of living such as Norway.

Now, let me be fair to the unions. In a Journal of Commerce article about an MIT study exposing the high cost of America's subsidized seafarers, union officials fought back.

I want to share what they said.

> Unions representing officers and seafarers on modern containerships have criticized many of the underlying assumptions in the report, saying the authors ignored non-vessel costs such as high management salaries, and corporate overhead.

That is coming from our unions.

Does anyone from the Commerce Committee know how much of this $2.5 million per ship annual subsidy is needed to cover these high management salaries? Because I think that everybody in this body ought to know.

Did the committee study the MIT report entitled ''Competitive Manning of U.S.-Flag Vessels'' before passing out a $2.5 million per vessel subsidy?

This report shows how these U.S.-flag vessels can get by with as little as $1.1 million in Government subsidies. Let us go over that. MIT says that our U.S.-flagged vessels can get by with as little as $1.1 million subsidies. But our committee votes out a bill that gives $2.5 million per vessel subsidies.

This means, Mr. President, since the Defense Department needs as few as 20 vessels, and since by making some reasonable reforms such as eliminating abusive featherbedding and overtime practices, Government subsidies can be cut to $1.1 million per vessel, the Merchant Marine Security Act of 1995 should authorize then only $22 million per year. What is currently required? Five times that amount every year for 10 years.

My colleagues need to understand then that the cat is out of the bag. No longer are maritime subsidies and programs hidden in the dark of night.

Perhaps you saw last week's front page article in the Washington Post. Other major publications such as the Wall Street Journal have editorialized against these wasteful maritime subsidies. And I submit both of these for the RECORD.

Numerous groups have come out this year in opposition to maritime subsidies. The list is long but my colleagues need to know who they are.

The National Taxpayers Union, Citizens Against Government Waste, Citizens for a Sound Economy, a group formed by consumer activist Ralph Nader called Essential Information, the Progressive Policy Institute sponsored by the Democratic Leadership Conference, the Cato Institute, the Competitive Enterprise Institute, and the Heritage Foundation. And that is just a partial list.

The point, Mr. President, is simple. Too much information exposing the waste and abuse of maritime programs is out in the public. And the public is demanding the elimination of all this waste.

In fact, a top Transportation Department official, Inspector General Mary Schiavo, has testified that the entire Maritime Administration, together with its programs, including operating

subsidies can be eliminated. The Inspector General, Department of Transportation, working for Secretary Pena, who recommended that the President come on board for this fat subsidy, recommends that we can do away with these program operating subsidies entirely.

She is a top transportation official, an expert on all their programs. But she is also an independent voice. And that independent voice does not have to march lockstep with the Clinton administration party line on maritime subsidies.

She has no self-serving motives. She does not have to care about generating ill feelings on the Hill, or about the question of failing to demonstrate leadership that Secretary Rubin said in the memo to the President of the United States if the maritime industry would somehow get less support than sought.

In other words, Mr. President, I think the Inspector General is a credible person. And so is the memo that I have read, supposedly a confidential memo from Secretary Rubin to the President of the United States.

Mr. President, the public knows that maritime subsidies are a waste. There have also been some public reports that show how desperate the merchant marine unions and lobbyists have become. These articles point to the dramatic shift of maritime campaign contributions shifting away from Democrats in the last couple decades to Republicans this year.

And I have seen the reports compiled by some of these public interest groups following closely this shift in campaign spending. I would urge my colleagues to get a copy of an article printed on pages 536 and 537 of the 1977 Congressional Quarterly Almanac. History may very well repeat itself.

Mr. President, it is clear that the amendment offered in this managers' amendment should be defeated. It should not have been sneaked through in this way. I regret that this amendment has been included in the managers' amendment. It should have been withdrawn.

I do not know what sort of deal makings go on to bring this about, but at least I have had an opportunity to tell the public and to tell my colleagues that when this was a debate in the Clinton administration, there were 16 Departments that were asked their opinion. Fifteen of the sixteen said this was a waste of the taxpayers' money, including the Department of Defense. But the Secretary of Transportation, through a memo of Secretary Rubin to the President, said that you better do this because you have to exercise leadership, you have to exercise leadership, not because of the Department of Defense needs, not because of the economic needs, but because the maritime industry and the maritime unions want it.

Mr. President, I ask unanimous consent that the report and articles to which I referred earlier be printed in the RECORD.

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

DISASTER AT SEA!—IT'S TIME TO DEEP SIX THE MARITIME SUBSIDY PROGRAMS—MAY 24, 1995

Congress has set caps on future spending and put the country on a glide path toward a balanced budget in seven years. In doing so, members have set sail into stormy waters. Working out the details will surely be one of the most controversial debates in recent history: a clash over exactly which programs and policies should go, which should stay, and what to do with savings. As congressional observers, political pundits, and arm-chair budgeteers (taxpayers, most of all) observe the debate over the particulars of what should be included, it will be just as important to take note of what they're not arguing about.

Even though there have been calls for the elimination of a variety of corporate subsidy programs—everything from the U.S. Department of Agriculture (USDA) Market Promotion Program to targeted tax credits for corporations with friends in high places—Congress will be missing the boat if it doesn't move to scuttle wasteful maritime subsidy programs, cargo preference laws and operating differential subsidies (ODS), in particular.

Cargo preference laws go way back to the turn of the century and the 1930's. The Jones Act, which governs only domestic waterborne commerce, was enacted in 1920. It mandates that all commercial cargo moving between American ports be carried on U.S.-flag ships.

International cargo preference laws (the subject of this report) dictate that all federal agencies—particularly the Department of Defense (DOD), the USDA, the Department of Energy, the Agency for International Development (AID), and the Export-Import Bank—transport 50 to 100 percent of their international cargo aboard U.S.-flag vessels. In practical terms, these laws force taxpayers to underwrite monopoly shipping rates and protect carrier owners from market competition.

U.S.-flag vessels are those vessels regulated under the laws of the United States. They must be American-built, American-owned, and American-crewed.

According to a November, 1994, General Accounting Office (GAO) report, the DOD alone, which is required by law to ship 100 percent of its goods under the U.S. flag, anted up $350 million a year in additional costs between 1989 and 1993 for the privilege of transporting equipment and materials to points abroad on U.S.-flag vessels. The USDA and AID must transport 75 percent of their international food aid under the U.S. flag, at an additional yearly cost of $200 million and $23 million, respectively. About 120 shipping companies shipped goods under the cargo preference laws in 1993, but the bulk of the subsidies went to a handful of companies.

The Office of Management and Budget (OMB) estimates that international cargo preference laws will cost federal government agencies an additional $600 million in fiscal year (FY) 1996. The November, 1994, GAO report said that cargo preference policies support at most 6,000 of the 21,000 mariners in the U.S. merchant marine industry. That translates into an annual cost of $100,000 per seafarer.

As far back as the 1960's the OMB, the GAO, and the Joint Economic Committee of the Congress tried to do away with these subsidies. In 1984, the Grace Commission also recommended elimination of maritime subsidies.

Historically, proponents of cargo preference laws and other maritime subsidy programs quickly evoke the national security argument when defending the industry's right to continued taxpayer largesse. They claim that a healthy U.S.-flag merchant marine fleet is an essential logistical component during a war. This argument has powerful resonance with members of Congress, who harbor nostalgic memories of the industry's titanic contributions during World War II, orchestrating massive troop movements and dispatching millions of tons of U.S. military equipment and supplies to distant war zones.

The other rationale is that maritime subsidy programs pump desperately needed revenue into an industry which cannot (or hasn't been permitted to, depending upon who you talk to) compete on the global market.

Unfortunately, today's merchant marine bears little resemblance to its romantic image. Though the amount of international ocean borne cargo has risen dramatically since World War II, U.S.-flag vessels carry only four percent of America's international cargo. Most of the increased cargo has been picked up by privately owned foreign-flag carriers, which are not subject to our restrictive ''flag'' laws and are therefore far more cost-effective. The U.S.-flag fleet has dwindled from a post-W.W.II peak of 2,000 to 371 ships today. Of those 371, only 165 are currently engaged in international trade and, therefore, eligible for either cargo preference or operating subsidies.

Though those 165 vessels benefit from a billion dollars annually in direct and indirect federal government subsidies, the industry continues to sink under the unsustainable weight of government regulation, outdated and protectionist labor and management policies which safeguard the well-being of a small clan of special interest groups, and the fierce onslaught of global competition in the international shipping industry. In characterizing U.S. maritime policies, former U.S. Maritime Commissioner (and outspoken critic of maritime subsidies) Rob Quartel called them ''a scam, a taxpayer fraud.''

Cargo preference laws provide one kind of indirect subsidy. A separate group of 20 to 30 privately owned shipping companies also get cash subsidies through the Maritime Administration (MARAD). These subsidies, so-called operating differential subsidies (ODS), are meant to compensate private shipping companies for retaining a certain number of their vessels under a U.S.-flag, a decision which effectively prices them right out of the world market.

In fact, keeping a ship under the U.S. flag is an enormously expensive operation. In exchange for ODS, a company must promise to keep certain international shipping lines open, and—like companies with cargo preference contracts—they must make their vessels available to the DoD in times of national emergency. They must also submit to a suffocating array of government regulations. Their ships must be built in U.S. shipyards where construction costs are two to four times those of foreign shipyards. They must comply with a laundry list of safety codes and detailed technical specifications which far exceed the internationally recognized standards required for comparable foreign-flag vessels. Most importantly, from the taxpayers' point of view, they must also be U.S.-manned, with nearly twice the crew size of comparable foreign vessels.

Ironically, the industry's most stultifying encumbrance, the one most damaging to its competitive edge is a self-imposed one: artificially inflated crew costs. But crew costs are a matter of concern not just for the companies that must pay seafarers' salaries and benefits. These costs are also of paramount

importance to taxpayers because the cost of labor is one of the factors which determines the level of the subsidy!

In 1994, MARAD quietly released a long-delayed study by researchers at the Massachusetts Institute of Technology (MIT) on the subject of manning costs abroad U.S.-flag vessels. The report's conclusions were stunning. The industry's labor practices amounted to nothing less than good old-fashioned featherbedding at the taxpayers' expenses.

The report contained billet cost breakdowns for a variety of U.S-flag vessels. A captain's billet cost was $34,000 per month, most of which is covered by taxpayers. (In the U.S. maritime industry, mariners are at sea for six months, and then go on a six-month hiatus). Therefore, for six month's work, a captain's billet costs can be about $204,000. U.S. seafarers are also entitled to and often collect unemployment benefits during their six-month hiatus, which leads to higher unemployment taxes for both American carriers and taxpayers.

Senator Charles Grassley (R–Iowa), outraged at the exorbitant taxpayer-subsidized crew costs, unsuccessfully offered an amendment to the FY 1994 DoD appropriations bill aimed at reducing those costs. In a letter to his Senate colleagues, Grassley wrote:

''Currently taxpayers are forced to support U.S.-flag merchant marine seamen billets at a far higher level of pay and benefits than those provided by billets for the men and women who serve our nation in the Army, Navy, Air Force, and Marine Corps.''

Grassley noted that a Navy captain's billet costs $8,422 per month. ''In fact,'' he wrote, ''a U.S.-flag cook's billet costs more than that of a Navy captain!''

The November, 1994, GAO report bears out this trend when U.S. crew costs are compared with their European counterparts. In 1993, for example, the daily cost for a 34-person crew were between $12,000 and $13,000 a day. The cost for a 21-person European crew was $2,500 to $4,000 per day.

According to the MIT study, subsidies for U.S.-flag vessels, should they be of importance to the DoD, could be reduced from the current $2.5 million per ship to about $1.1 million per ship by reducing crew sizes and salaries and by allowing crew members to perform duties outside their job classifications.

Shipping company managers have no incentive to negotiate lower labor costs with the powerful mariners' unions because the taxpayers will end up reimbursing them in the end anyway. This arrangement has resulted in an unusually cozy relationship between maritime industry labor and management, who even share a bevy of lobbyists in Washington, D.C.

By brandishing the national security argument, proponents of cargo preference laws and ODS have been very effective at keeping the tide of maritime subsidies flowing in spite of overwhelming evidence that they are a bad deal for taxpayers. Recently, however, that argument has begun to fray.

The Gulf War may be remembered as the catalyst which caused the national security argument to unravel in earnest. It exposed the myth that our current national maritime policy has any real national security rationale.

The Gulf War was the largest movement of military personnel and equipment since World War II. But of the hundreds of ships that delivered supplies and equipment to the theater, only a handful U.S.-flag vessels actually entered the war zone to deliver their freight to American troops. There were about 50 other U.S.-flag merchant ships moving cargo during the war, but most of them delivered their freight to foreign ports where it was transferred to foreign-flag vessels with foreign crews to make the rest of the journey.

In an August, 1991, commentary in Defense News, director of MIT's Defense and Arms Control Studies Institute Harvey Sapolsky characterized the U.S.-Flag merchant marine fleet's Gulf War participation this way:

''Although more three-quarters of the ships chartered during the Gulf War flew foreign flats, only 20 percent of the U.S. military cargo actually rode on these ships. Most of the amount hauled in a crisis is done by government-owned standby and reserve ships. Moreover, there is a ready charter market for commercial cargo vessel when more ships are needed. *The price required for their services in a crisis is cheaper than the cost of maintaining a large subsidized commercial fleet for a mobilization that may not happen again for years. Despite any accompanying rhetoric about national security, subsidies for the Merchant Marine fulfill the commonplace desire for obtaining a livelihood without the burden of having to compete to earn a living''* (emphasis added).

Use of U.S.-flag ships actually hampered the Pentagon during the critical surge stage of the Gulf War. When the Pentagon had to transport cargo quickly, U.S.-flag ships, which were scattered around the world, had to be called back for service.

And, though the Pentagon has the option of commandeering the ships for the war effort, American merchant marine crews are not compelled by law to serve and must be asked to volunteer their services. What's more, taxpayers pay once again because these crews are entitled to hazard pay if they enter a war zone.

In 1992, Colin McMillan, then-assistant secretary of defense for production and logistics, was asked to report to an interagency working group on the impact on military readiness of two major U.S. container companies reflagging under foreign flags. McMillian's memorandum, dated December 10, 1992, stated that ''the National Security Sealift Policy does not support a fleet sized to meet military requirements while maintaining its essential commercial operations/commercial viability. *Therefore, the issue of two major U.S.-flag container ship operators disposing of their U.S.-flag fleets is primarily an economic one and should be treated accordingly* (emphasis added).'' Contacted recently about the issue, McMillian called the subsidy programs in the name of national security ''a big waste of taxpayer money. These programs should be clear targets for elimination. Here we are talking about cutting programs for children, and we're funding so-called defense programs that add nothing to the defense of the country.''

There have been a number of opportunities to sink these profligate maritime subsidy programs. The most recent was Vice President Gore's National Performance Review (NPR). There were indications that some members of the NPR's transportation task force, charged with rooting out inefficiency in that area, wanted to deep-six these programs. However, intense political pressure was brought to bear, and the promise of a commission to look into maritime issues was the most that emerged from that effort. Yet, even that has not come to fruition.

Congressional support for maritime subsidies comes from a variety of different, but apparently complementary, political interests. Republicans like Rep. Herb Bateman (R–VA) and Senate Majority Whip Trent Lott (R–MS), who both hail from coastal states, must contend with powerful maritime and shipbuilding constituencies. On the Democratic side of the aisle, Sen. John Breaux (D–LA) also has a strong maritime constituency. Much of the political support from the Democratic members is a natural outgrowth of the party's traditional relationship with labor unions.

The Clinton administration's support for continued maritime subsidies seems to be based upon political concerns rather than sound fiscal policy. In a June 30, 1993, memorandum to the President obtained by Citizens Against Government Waste (CAGW), then-Secretary to the President for Economic Policy Robert Rubin laid out the administration's options on maritime issues. The memo stated that:

The Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Commander of the Transportation Command have already concluded that future requirement will not exceed 20–30 liner vessels. *DoD will have no need for bulk vessels. All agencies therefore oppose renewal of direct subsidies for bulkers* (emphasis added).

Further on, Mr. Rubin once again delineated for the President the arguments against maintaining or increasing direct or indirect subsidies to maritime interest:

There is no evidence that this segment of the maritime industry was of strategic importance to the economy . . . and subsidizing carriers simply to preserve jobs would leave the administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

Under the heading ''Political Concerns,'' Mr. Rubin discussed the political climate in Congress and the chances for getting rid of maritime subsidies:

''*Secretary Pena believes there to be broad, bipartisan Congressional support for maritime subsidies. The Secretary believes that maritime supporters have enough votes to pass a maximalist package without support from the Administration. If you do not announce such a package now, the Secretary believes that you will lose an opportunity to demonstrate leadership* (emphasis added).

In other words, if you can't beat them, join them. In the final analysis, and in spite of the well-documented negative impact these policies have on taxpayers and the long-term competitive health of the maritime industry itself, not to mention the federal budget deficit, the Clinton administration chose to renew the operating differential subsidies under a new title, the Maritime Security Act. While practically every federal government program is coming under congressional scrutiny, very little attention is being paid to this ongoing waste of taxpayer money. This new bill, which is similar to its predecessor, appears to be a politically motivated stop-gap measure designed purely to pacify congressional interests.

It is undeniable that the American merchant marine industry, owing to a complex range of problems, is floundering. In fact, simply scratching the surface of U.S. maritime policies reveals a diabolically complicated system, apparently designed to promote and enrich a handful of privately owned shipping companies, the seafarers unions, the shipbuilding companies, some powerful members of Congress, and the Washington lobbyists who are paid handsomely to keep all these balls in the air. Everyone, that is, except the American taxpayers.

There are some voices of reason on Capitol Hill, and the time may be right to make a serious move to eliminate these costly leviathans. Sen. Grassley, a veteran critic of maritime subsidy programs, collected 23 signatures on a letter to Senate Budget Committee Chairman Pete Domenici (R-N. Mex.) calling for the elimination of ''wasteful maritime programs, particularly cargo preference subsidies.'' Signatories included Senate Majority Leader Bob Dole (R-KS), Sen. Richard Lugar (R-IN), and Sen. Larry Pressler (R-SD), chairman of the Senate Commerce Committee.

Senator Hank Brown (R-CO) has decried the elitist nature of the program, saying: ''What we accomplish with cargo preference is to line the pockets of some very wealthy people, but we do not accomplish the goal of expanding the number of U.S.-flag vessels. It has dropped. We do not accomplish the goal of making U.S. ships more competitive.'' Sen. Brown's office asked the Congressional Budget Office (CBO) to score the potential savings if maritime subsidies were eliminated. The CBO estimated that the elimination of maritime subsidies would save more than $2.8 billion over five years.

Sen. Jesse Helms (R-NC) has also crafted some preliminary legislative language which would effectively eliminate cargo preference laws in relation to foreign aid food shipments.

Several long-term maritime industry observers interviewed for this report have come to a common conclusion. It is no longer a matter of whether the U.S.-flag maritime fleet will implode under its own weight, it's just a matter of when and how much more money the taxpayers will surrender involuntarily in a fruitless endeavor to prop up a failing industry. Members of Congress should move now to stop this maritime madness. It's time to scuttle the maritime subsidy programs.

SUBSIDIES AHOY!

Was there really a revolution in American politics last November? If so, somebody had better notify Congressman Herb Bateman—fast. The Virginia Republican has already persuaded the National Security Committee to approve a new $1 billion subsidy for the U.S. Merchant Marine, and now he's trying to get the rest of the House to go along. If he gets his way, it'll be a strong indication that the Republican tide is breaking up on the special-interest rocks of Washington.

There is no clearer case than shipping of the harm that government ''help'' can do. During the past 50 years, the government has sunk tens of billions of dollars into protecting commercial shipping. The result? Just in the past 25 years, the U.S. Merchant Marine's share of the U.S. shipping market has declined from 25% to less than 4%.

Federal interference starts with Coast Guard-enforced regulations on staffing and work rules. U.S. mariners earn an average of $125,000 for six months duty, but aren't allowed to do as much work as lower-paid foreign counterparts. No wonder it costs several times more to operate a U.S. ship than a foreign vessel.

To ''compensate'' for these costly rules, U.S. shipping lines get an annual direct payout of $240 million: this program will expire soon unless it's renewed. Another handout comes from the Defense Department, the Agency for International Development and other government outfits that have to ship goods on costly U.S. vessels. These ''cargo preferences'' cost $592 million last year—enough money for private charities to feed half a million starving children in Africa for a year.

Throw in millions more for maritime academies that turn out sailors the U.S. fleet can't employ, and what do you get? Roughly $1 billion annually in direct government subsidies to the U.S. Merchant Marine. But that's only part of the maritime boondoggle. Even bigger costs lurk just beneath the surface.

Under the 1920 Jones Act, only U.S.-built, -crewed and -flagged ships can operate between U.S. ports. But since these vessels are so costly, not a single coastal freighter bigger than 1,000 tons runs along the East Coast. One result: Many turkey farmers in North Carolina buy costlier Canadian grain rather than cheaper U.S. varieties. In all, the International Trade Commission estimates, the Jones Act costs consumers up to $10.4 billion a year.

Then there's price fixing. The 1984 Shipping Act gave shipowners complete antitrust immunity and allows the Federal Maritime Commission to enforce international shipping cartels. The excessive charges of these cartels raise prices on most imported and exported goods, costing consumers up to $15 billion annually. Worst of all, 80% of the benefits go to foreign shipping lines.

Rob Quartel, a former FMC member, figures that all maritime subsidies together cost at least $375,000 per seagoing worker. It would be a lot cheaper to pay the sailors not to work. Eliminating these subsidies would not only force the maritime industry to become competitive, but also would contribute to the balanced budget effort. Mr. Quartel figures, based on dynamic scoring, that eliminating subsidies would save $7 billion between 1996 and 2002, and generate new economic activity that would raise an extra $28 billion in tax revenue. Even in Washington terms, $35 billion is real money.

The House budget charts a course toward this destination; it calls for eliminating direct maritime subsidies. But some Republicans haven't gotten the message yet. Majority Whip Trent Lott, who has also blocked complete telecom deregulation, helped keep the Senate Budget Committee from torpedoing maritime handouts as a favor to his maritime industry constituents. And when the Senate recently allowed the export of Alaskan oil, the legislation stipulated that only costly U.S. ships can carry the crude.

In the House, Transportation Committee Chairman Bud Shuster is frustrating deregulation efforts, while Congressman Bateman sails full steam ahead with his subsidies, which he calls ''The Maritime Security Act of 1995.'' (We guess that sounds better than the ''Pork Barrel Act of 1995''.) The congressman dusts off the hoary old argument that the U.S. needs subsidies to preserve a flag fleet that can carry Pentagon supplies in wartime as his excuse.

But this claim doesn't hold water. The Defense Department already spends billions on transport vessels that are on permanent standby. It doesn't need, and can't use, most of the merchant ships that Mr. Bateman proposes to subsidize. During the Gulf War, only 8% of supplies delivered directly to the Persian Gulf came on U.S. commercial vessels. That's why the Pentagon has consistently opposed paying for maritime subsidies.

Stripped of their military justification, Republican shipping subsidies begin to look a lot like what the Democrats used to hand out: Favors for one set of campaign contributors (shipping companies and sailors' unions) at the expense of the national interest. Mr. Quartel rightly calls this ''a fraud and a scam.'' Unless the GOP quickly deep sixes this outrageous proposal, voters will have cause to wonder whether the Ship of State is being run by the same old crew that was in charge before Nov. 8.

[From the Washington Post, Sept. 18, 1995]

END OF MERCHANT MARINE MAY BE ON THE HORIZON

(By Bill McAllister)

PORTSMOUTH, VA.—It is 9 a.m. on a Sunday, and sweat is trickling down Michael P. Ryan's chest.

The temperature has hit 90 degrees in the mint green engine room of the Sea-Land Performance where Ryan, the 37-year-old first assistant engineer, has been running last-minute maintenance checks since before dawn. Later in the day, the giant commercial ocean liner, three football fields in length, will maneuver out of port on its way to deliver 1,700 containers of chemicals, auto parts, chocolates and other merchandise across the Atlantic.

For the six months at sea he will spend tending the ship's clattering diesel engine, Ryan will earn about $90,000, more than his counterparts on any commercial ocean liner without a U.S. flag on its stern. American ship captains and chief engineers on ships like Ryan's earn even more—as much as $132,000 to $151,000 for a half-year's work. In the months off, crew members of the Performance do everything from collect unemployment to work at a ski resort.

''I'm not going to say that the money's not good, but I earn it,'' said Ryan, waving a dirty hand in the sultry air. ''It's not the life of Riley.''

Whether it's a life that taxpayers should subsidize is another question—one the Senate may address as early as today.

Since a fledgling Congress first penalized imports on foreign ships in 1789, the federal government has protected shipping interests on the theory that the military needs American-built, American-manned ships on hand in case of war. It has proven a costly premise that critics claim no longer is valid.

In the name of a strong merchant marine, the government today pays some $214.4 million a year to underwrite the pay of about 9,000 jobs on 75 private ships and cover the cost of abiding by U.S. regulations. Those payments have totaled $10 billion since the first checks went out in 1936.

It pays an additional $578 million a year more than it needs to, by one estimate, to ship millions of tons of military goods and other government cargo solely on U.S.-flagged ships like the Performance, even though foreign vessels are considerably cheaper. Farm state legislators argue that the government loses millions more each year in sales of farm commodities to foreign governments because of higher transportation costs.

And consumers pay a good deal more money—$10 billion a year, critics charge—for goods that federal law requires be transported on more expensive American-flagged ships. That law, called the Jones Act, bars foreign ships from carrying any cargo shipped between domestic ports.

A SHRINKING FLOTILLA

Whether all this is necessary—indeed, whether it is even good for the industry—has been argued for decades. The raft of subsidies has not saved the U.S. shipping industry from a titanic plunge from the top ranks of world shippers. The number of merchant ships flying the U.S. flag has dropped from 3,644 in 1948 to 351 this year. Their share of the world's ocean-shipping trade has plummeted from 42.6 percent in 1950 to approximately 4 percent today.

Even the industry's military value has vastly diminished. In recent years, the Pentagon acquired its own fleet of fast cargo ships, built specially to transport military equipment and moored more or less permanently in strategic harbors around the globe.

What's left of the American-flagged ships, according to critics, is a tiny and costly flotilla of ''welfare queens'' that epitomizes the waste that laces the federal budget.

The very obscurity of the subsidies to shipowners is part of the secret of their survival. Many legislators see little percentage in fighting to strike $1 billion or so from a $1.5 trillion federal budget, especially when it might mean forgoing the political contributions of maritime unions and shipowners that comprise one of the most politically active industries in the country.

''This is a big mess, basically $1 billion a year . . . going to less than 10,000 people,''

said Rob Quartel, who served as a member of the Federal Maritime Commission under President George Bush and has emerged as one of the chief critics of the subsidies. ''The problem with this industry is that it has been subsidized and regulated to death.''

To the industry, however, the question is not whether Congress wants to give the shipping industry a break, but whether it wants a merchant marine at all. Executives of the few remaining U.S. shipping lines blame their industry's decline on foreign competitors who copied American technology and then undercut American firms with cheaper labor and fewer regulations.

Unless ''Uncle Sugar'' makes up the difference in costs, as one shipper puts it, shipping companies will demand that the government let them re-register their vessels in foreign countries to take advantage of lower foreign operating costs. ''We're fighting for our life,'' said Mike Sacco, president of the Seafarers International Union.

''America's future as a maritime nation is at stake,'' Albert J. Herberger, President Clinton's maritime commissioner, recently told Congress. ''This year will make or break what remains of our U.S.-flag presence on the high seas.''

The issue before Congress is a simple one, said Christopher L. Koch, a senior vice president of Sea-Land: ''Give us the dough or let us go.''

More and more, letting them go seems a viable option. Groups as diverse as the conservative National Taxpayers Union and Ralph Nader's Essential Information Group are pressing the Republican Congress to untie the shipping industry and see how it floats on its own.

Their champion is a farm-state senator, Charles E. Grassley (R-Iowa), who foresees savings for the Agriculture Department in sales and shipments of surplus food overseas if maritime programs are eliminated. ''We're seeing more light at the end of the tunnel, but I don't see victory,'' he said in a recent interview.

Some of the maritime industry's supporters, sensing trouble at hand, are proposing cutting some of the expense. A coalition of senators from maritime states may ask for a floor vote as early as today on a measure that would extract about $100 million from Radio Free Europe to continue subsidizing the operating costs of a smaller number of U.S. ships and provide some other benefits to the dwindling number of private U.S. shipyards.

''Yes, it is going to cost a little more to ship on an American ship,'' said Sen. John Breaux (D-La.), one of the measure's supporters, at a recent Senate hearing. But, he said, ''it is all a part of being an American.''

A CALL FOR ELIMINATION

Early on, it appeared that the Clinton administration might try to toss out maritime subsidies in its drive to streamline government. A task force advising Vice President Gore described the subsidies as ''a cancer eating away—unnecessarily—at the general revenues of the U.S. Treasury.''

A draft of Gore's report on ''reinventing government'' called for eliminating the benefits, according to the task force members, but that recommendation was deleted after leaders of the politically powerful maritime unions protested to Clinton. In a 1993 memo to the president, Robert E. Rubin, then the director of Clinton's National Economic Council, noted that maritime benefits already had ''broad bipartisan support'' on the Hill.

But the support from the Pentagon, which long has provided the rationale for the expenditures, has faded. In the 1980s the military decided it was no longer content with the shipowners' pledges to haul supplies in their vessels in wartime in exchange for ongoing subsidies. Military planners concluded it would take too long to commandeer the civilian ships in a crisis. Besides, most commercial U.S. ships sailing with U.S. flags were designed to carry standardized-sized boxes of food and goods, not helicopters.

So the Pentagon invested in so-called roll-on, roll-off ships—essentially floating garages that can be filled with tanks and military trucks. Since the Persian Gulf War, the military has continued to expand its fleet of ''row-rows,'' as the ships are called, with a $6 billion program. Today it has a reserve fleet of 89 Navy-gray ships, many of them fully loaded and docked around the world.

Should it need more in a time of crisis, the Pentagon would ''prefer American ships with American crews,'' said Margaret B. Holt, a spokeswoman for the Military Sealift Command, the Washington-based Navy command that charters ships for the Pentagon. But that's only if another agency pays the shipowners, said Gen. Robert L. Rutherford, head of the U.S. Transportation Command, in recent testimony before a Senate subcommittee.

During the Gulf War, the military found it could rely on foreign ships to supplement its own fleet. The U.S. Maritime Administration, part of the Transportation Department, estimates that about 20 percent of goods arriving in the war zone came on foreign ships; a Navy estimate places the level closer to 50 percent, noting many military goods were transferred from U.S.-flagged ships to smaller feeder ships at European and Asian ports.

According to Holt, the Sealift command spokeswoman, the lesson is: ''If there is money to be made, there are ships to be had.''

The maritime programs are a patchwork of direct and indirect subsidies and protections that date back largely to the period between 1904 and 1936.

There are three ways the government subsidizes U.S.-flag vessels: It pays direct subsidies to vessels engaged in international trade to help them compete with foreign-flag vessels. It pays higher rates on shipment of government goods. It also requires goods shipped between U.S. ports to be carried by U.S. vessels.

The requirement that government goods be transported in U.S.-flagged vessels adds $578 million a year to the government's transportation bills, most of it paid by the Pentagon, the government's largest shipper, according to the General Accounting Office. The rule that surplus food be shipped under U.S. flag has cut the amount of farm commodities that foreign governments could buy by $131 million in the past three years, according to a March report by the Agriculture Department's inspector general.

Consumers also pay to protect the industry, according to critics like Quartel, the former Bush administration official. Quartel heads a group backed by farm and minerals interests that hopes to repeal the 1920 Jones Act, the law that restricts domestic cargo to American-flagged ships. He cites a U.S. International Trade Commission study that estimates the law may add as much as $10.4 billion a year to transportation costs, which are then passed along to wholesalers and consumers.

The most obvious cost—and perhaps the most vulnerable to cuts—is the $214.4 million a year the government pays out to the owners of the 75 U.S.-flagged vessels to cover the cost of sailing with a U.S. crew, under U.S. regulations.

Unless Congress acts, these so-called ''operating differential'' payments will cease when the government's 20-year contracts with the shipowners expire in 1997. Rep. Herbert H. Bateman (R-Va), a strong maritime advocate who chairs a subcommittee of the House National Security Committee, has teamed up with Sen. Trent Lott (R-Miss.) to propose somewhat reduced benefits: an average of about $2.3 million a year each to about 50 ships, rather than the roughly $3 million now paid to 75 vessels. The Clinton administration supports their proposal.

Maritime industry officials say critics exaggerate the indirect costs and underrate the benefits to the country in jobs and national security. Although fewer than 10,000 jobs depend on the direct subsidies, the Jones Act helps protect as many as 200,000 workers, industry supporters say.

They deride foreign ships as unreliable in wartime, citing a half-dozen or more vessels that refused to sail or delayed voyages into the Persian Gulf during the conflict there.

If U.S.-flagged ships are not militarily important, then their crews certainly are, supporters say. ''You can always commandeer ships. You can't commandeer people,'' said Thomas L. Mills, a Washington maritime lawyer and lobbyist.

Sea-Land has been one of the primary beneficiaries of the maritime programs and, in the company's view, a victim as well. The company benefits handsomely by flying the U.S. flag; in fact, its Pentagon contracts make it the country's largest ocean shipper of military goods.

But the American flag raises its operating costs because it must pay its crews the higher U.S. union salaries. The firm is not reimbursed directly for those added costs because it is barred from drawing operating subsidies at the same time it holds government shipping contracts.

FLYING A NEW FLAG

As military shipping declines, Sea-Land wants the option to switch to operating subsidies. Unless Congress continues the subsidies, Sea-Land president John P. Clancey has warned, his company will ask permission to register its remaining 37 U.S.-flagged ships under foreign flags.

It already dropped the Stars and Stripes off five ships in the past year and registered them with the Republic of Marshall Islands. The firm has offered American captains jobs on those ships at a salary of $72,760 for eight months a year. That's roughly 41 percent of what some of them would earn as skippers of U.S.-flag ships.

Offers like that are quite disheartening to seamen like Lawrence R. Swink, of Lake Tahoe, Nev., captain of the Performance. ''For those kind of wages they're talking about, I can run a little tour boat and be home with my family every night and watch my children grow up,'' he said.

From Swink down to the ship's tattooed cook, the 21 crew members of the Performance know their jobs are on the line. ''I can't argue that the Filipinos won't do it cheaper than me, but I'll tell you one thing,'' Ryan said. ''They won't do it better than me.''

''I can't imagine the U.S. not having a merchant marine,'' said Baden L. Fitzsimmons, the junior engineer, shaking his head.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I have to respond to some of this, because I think if someone listens to this debate, they get a total misimpression of what we have done in this bill. Let me begin by saying I take a back seat to no one on this planet and nobody in the U.S. Senate in opposing cargo preference. I have fought it from the first day I

came here. I am going to fight it from here or elsewhere until it is ultimately eliminated.

Let me review the facts. The facts are as follows:

President Clinton, despite all this wonderful advice, proposed $175 million for operating subsidies for the maritime industry. Our subcommittee and our full committee provided not one red cent. We had an amendment about which we talked to Members on both sides of the aisle. Some 14 Republicans were ready to vote for the amendment. It was obvious to a blind man that we were going to lose on the amendment and, at a late hour, instead of holding the Senate here, we agreed to providing $46 million.

Here is the point: As far as I am aware, that is the lowest level of subsidies for the maritime industry since the Second World War. We have never had an appropriations bill in the U.S. Senate since 1946 that cut maritime subsidies as much as this bill cut maritime subsidies.

I wanted it to be zero. I oppose these subsidies. But, basically, the point I want people to understand is, the President asked for $175 million. While the accounts are not comparable, there was $214 million provided last year. Even with the adoption of this amendment, which I do not support, we are only providing $46 million in new subsidies. So we have cut maritime subsidies more than any appropriations bill since World War II. We have dramatically reduced those subsidies.

I share my colleague's righteous indignation. The problem is I have sat here all day and fought amendments. I wanted to fight this amendment, but not only did I have no votes on my side giving me any chance of a majority, but many of our colleagues were elsewhere in committee. I was here on the floor basically making a decision that we were going to lose, and so this amendment was included.

To conclude, being repetitive one final time, if somebody wants good news about maritime subsidies, the President proposed $175 million of operating subsidies. This final bill provides $46 million, which is a dramatic cut and which, as far as I am aware, is the largest cut in operating subsidies for the maritime industry since the Second World War.

In terms of loan guarantees, the President asked for $52 million, our committee provided $2 million. This amendment that has been adopted adds $25 million to that, providing $27 million. So in an overall request of nearly a quarter of a billion dollars by President Clinton and his administration, after all is said and done, we are providing $73 million. If we do this well next year, there will be no maritime subsidy program. That is my point.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I thank my friend from Texas for providing this clarification. It should be pointed out that the Commerce Committee of the U.S. Senate and the National Security Committee of the House of Representatives, in response to taxpayers' concerns about the high cost of the operation differential subsidy, came forth with the Maritime Security Act. In the Senate, it is S. 1139; in the House, H.R. 1350.

This year, by a unanimous vote in the Senate committee and a unanimous vote in the House committee, this act was passed—unanimous vote. It is a bipartisan measure. In the U.S. Senate, the chairman of the subcommittee is the Senator from Mississippi, Mr. LOTT. I have the great privilege of serving as the senior Democrat on that committee.

As the chairman of the Appropriations Subcommittee on Commerce, Justice and State just noted, the amounts we are requesting are much, much less than what has been requested by the President of the United States or what it has cost the taxpayers in the past. It has been suggested that all we would need is 20 vessels, and in so doing, cite Desert Storm as an example.

We, together with our allies, were exceedingly fortunate because the man in charge of Iraq did not have the good sense to do what any military commander would have done. He gave us over 6 months to prepare ourselves, and that is why we were able to ship goods in a rather leisurely manner to the Persian Gulf. We were lucky.

I think at this juncture I should just briefly point out the history of our merchant marine industry.

At the end of World War II, we controlled the seven seas. The Russian fleet was in the bottom of the ocean. The British fleet did not exist. The German fleet was gone. The Japanese had none. The Chinese had none. No one had ships. We controlled the ocean. If the Japanese wanted to ship anything, it had to be on an American ship. If the British wanted to ship anything, it had to be on an American ship. We controlled the seas. But because of our belief in free trade, because of the massive program we instituted, the Marshall Plan and other programs, we helped to build the economies of other lands, including our former enemies. As a result, at this moment, the U.S. fleet carries less than 4 percent of our foreign cargo. We carried over 90 percent and now we carry less than 4 percent. And if you think that 20 would be enough, may I remind my colleagues about the Yom Kippur war. During the Yom Kippur war, the Egyptians nearly overran the Israeli forces. They were pushed back to their borders across the Sinai. And in 30 days, they used up the ammunition that they had stored for 6 months. We had an agreement with the State of Israel to provide ammunition and supplies. And so we looked around for our ships. Our ships were busy. So we looked to American citizens. There were hundreds of American citizens who owned ships registered in foreign lands, like Liberia and Panama. Most of the ships registered in Liberia and Panama belong to Americans, hundreds of them. So we called upon them to say that we have an emergency and we must supply the Israeli forces, please provide your ships, make them available to our Defense Department.

Mr. President, do you know how many ships responded? Do you know how many loyal American citizens responded? Zero. Zero. As a result, we had to use our C–5 tankers, the new C–5, and flew cargo into Israel. This is not classified now, but two of those C–5s were nearly shot down. Imagine what would have happened if they were shot down.

What I am trying to suggest is that Desert Storm was a good war for us, if you want to put it in ''good and bad.'' It was easily discerned as to who was bad and who was good. All the allies were with us. Even the Arabs were with us. They made their ships available very happily. Even the Japanese came down to the Persian Gulf to help us. But we may get involved in something that is not popular, that may not be considered a good war. And then what would happen?

Finally, may I say that every country with a fleet would insist that their mail—postage—be carried by their ships. The British carry their mail to the United States. The Germans carry their mail to the United States. The Russians carry their mail to the United States on their fleet. The Japanese insist on that. Even the Arabs insist on carrying their mail on their ships.

We believe in free trade. We put our mail carriage on auction, on bid. Who do you think carries our mail across the Atlantic ocean? The American fleet? The Polish Steamship Company. I hope we are proud of that. One would think that we would be proud enough to insist that our mail with our postage stamps be carried by our fleet. But because we insist upon slowly but surely tearing down our merchant fleet, the day will come when this great and powerful Nation will be blackmailed by all these other countries. The day will come and they will say, sorry, folks, we do not want to get involved in this conflict. See, what happened during the Yom Kippur war, Saudi Arabia sent word to Liberia and Panama and told the Liberian and Panamanian government, ''If ships in your register are used to carry cargo to Israel, we will consider this an unfriendly act.'' That is why zero.

That could happen to us again, Mr. President. This is a small investment.

One part of this is the title I one loan guarantee program. A $25 million investment will generate $500 million in ship building. It is about time we revived our ship building industry.

Mr. President, this is a bargain. This has bipartisan support. That is why the chairman of this committee, Mr.

GRAMM, wisely counted the votes, because it is a popular program. It is an American program, Mr. President.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

AMENDMENT NO. 2848 THROUGH 2878

Mr. GRAMM. Mr. President, I send a group of amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes amendments, en bloc, numbered 2848 through 2878.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 2847

(Purpose: To disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

At the appropriate place, insert the following new section:

SEC. . DISAPPROVAL OF AMENDMENTS RELATING TO LOWERING OF CRACK SENTENCES FOR MONEY LAUNDERING AND TRANSACTIONS IN PROPERTY DERIVED FROM UNLAWFUL ACTIVITY.

In accordance with section 994(p) of title 28, United States Code, amendments numbered 5 and 18 of the ''Amendments to the Sentencing Guidelines, Policy Statements, and Official Commentary'', submitted by the United States Sentencing Commission to Congress on May 1, 1995, are hereby disapproved and shall not take effect.

AMENDMENT NO. 2848

On the Committee amendment on page 28, line 8, after ''for'' delete ''State and Local Law Enforcement Assistance Block Grants pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994 (as amended by Section 114 of this Act);'' and insert ''Public Safety Partnership and Community Policing pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994;''.

On the Committee amendment on page 38, line 3, delete all after ''SEC. 114.'' through to ''local sources.'' on page 43, line 20.

AMENDMENT NO. 2849

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8353).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

Mr. BINGAMAN. Mr. President, I appreciate the managers of the bill agreeing to accept this amendment.

The Competitiveness Policy Council [CPC], for which I am recommending just $100,000 of support in fiscal year 1996, has just published several reports which provide thoughtful commentary on our Nation's economy. These reports include three just recently released and titled ''Lifting All Boats: Increasing the Payoff From Private Investment in the American Economy'' by Harvard Business School professor, Michael Porter, and Salomon Inc. chairman, Robert E. Denham; ''U.S. Technology Policy: The Federal Government's Role'' by former Bush administration Under Secretary of Commerce for Technology, Robert White; and ''Saving More and Investing Better,'' which concentrates on raising national savings and improving the way saving is allocated, or invested, in the private sector.

During a time when we are struggling with important decisions about the role of Government in the economy—about what programs should be cut back, which should be nurtured—it seems to me that a bipartisan Council such as CPC, which produces the sorts of high-intellectual octane material that directly responds to choices we are making in our national economic framework, should receive our support.

The Competitiveness Policy Council, which started operating in 1991, was established as a bipartisan Federal advisory commission. Of the 12 members, of which 6 are Republicans and 6 are Democrats, 4 are appointed by the joint leadership of the House, 4 by the joint leaders of the Senate, and 4 by the President. Business, labor, and Government as well as public interest groups are equally represented, each group having three members representing their interests. And when this commission was initiated, the founders had the wisdom to make it a creature of both the legislative and executive branches.

The CPC's mission is to develop recommendations to Congress and the President to improve the productivity and international competitiveness of the American economy. And importantly, the Commission provides dispassionate analysis of the state of the U.S. international economic competitiveness, providing a report to the President and Congress on an annual basis.

At this time, when CPC is issuing important policy reports and has others in the pipeline, it would not be judicious of this body to force a premature end to the good work and initiatives of this valuable commission. Its capital allocation report, ''Lifting all Boats,'' is ripe with important recommendations for which the American business community will cheer; these recommendations, CPC argues will help businesses truly organize for the long term, which is also very much in the national economic interest. The CPC may also reconstitute its Trade Policy Subcouncil to focus on regional trade agreements within the Western Hemisphere and the Asia Pacific region and the impact of these on both the multilateral trading system and American

living standards. The need for trade negotiating authority would make this effort timely.

Furthermore, the Council has begun work in two other areas: regulation and the relationship between Federal and state governments and U.S. competitiveness and living standards. I do not need to tell any of my colleagues here that $100,000 is modest; but this amount will allow the CPC to conclude the important work it has only recently begun to release and distribute. I think that many of my colleagues across the aisle can also attest to the quality and lucidity of CPC policy analysis and recommendations.

As part of this amendment, I suggest that we pare back, just a bit, the increase that the committee bill proposes for the Drug Enforcement Administration [DEA]. The bill provides the DEA with a 12.4 percent increase, $93 million, above the current year; an amount that surpasses the President's request by $40 million. Specifically, the committee bill provides an increase of $10.5 million for Permanent Change of Station moves. Last week, $4 million of fiscal year 1995 funds was reprogrammed for this very same purpose.

Thus, I propose that the $100,000 appropriation for the Competitiveness Policy Council be drawn from the account for Permanent Change of Station Moves in the DEA fiscal year 1996 appropriation.

Support of the Competitiveness Policy Council at this level of funding should be an easy decision to make. I think that the positive contribution of CPC's work will be returned in many multiples as the overall health of our economy benefits from CPC's wise counsel.

Thank you.

ENERGY EFFICIENCY

Mr. BINGAMAN. Mr. President, I would like to take a few moments to discuss an amendment I am offering on this appropriations bill. My amendment encourages agencies funded under the bill to become more energy efficient and directs them to reduce facility energy costs by 5 percent. The agencies will report to the Congress at the end of the year on their efforts to conserve energy and will make recommendations for further conservation efforts. I have offered this amendment to every appropriations bill that has come before the Senate this year, and it has been accepted to each one.

I believe this is a commonsense amendment: The Federal Government spends nearly $4 billion annually to heat, cool, and power its 500,000 buildings. The Office of Technology Assistance and the Alliance to Save Energy, a nonprofit group which I chair with Senator JEFFORDS, estimate that Federal agencies could save $1 billion annually if they would make an effort to become more energy efficient and conserve energy.

Mr. President, I hope this amendment will encourage agencies to use new energy savings technologies when making building improvements in insulation, building controls, lighting, heating, and air conditioning. The Department of Energy has made available for government-wide agency use streamlined ''energy saving performance contracts'' procedures, modeled after private sector initiatives. Unfortunately, most agencies have made little progress in this area. This amendment is an attempt to get Federal agencies to devote more attention to energy efficiency, with the goal of lowering overall costs and conserving energy.

As I mentioned, Mr. President, this amendment has been accepted to every appropriations bill the Senate has passed this year. I ask that my colleagues support it.

AMENDMENT NO. 2850

(Purpose: To require State Department to report on cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two-year language study program, including China, Korea, Japan)

On page 93, between lines 9 and 10, insert the following:

And also provided, That by May 31, 1996, the State Department will report to the President and to Congress on potential cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two year language study programs, but specifically including China, Korea, and Japan. This study should consider extending terms on the following basis: junior officers from the current two year maximum term to a three-year tour, and mid to senior foreign service officers from the current three year minimum term to four year minimum with a possible employee-initiated one year extension.

POTENTIAL COSTS SAVINGS FROM REVISED FOREIGN TOUR OF DUTY GUIDELINES

Mr. BINGAMAN. Mr. President, I have spoken here in the past expressing strong support for the initiative of this Congress to cut our Government's Federal budget deficit. But I feel just as strongly that this effort be undertaken in a sensible way that promotes economic growth where it can, and at all costs, does not actually cause the economic welfare of our citizens to worsen.

One of the steps that our Government can take to both cut spending and promote economic growth would be to better leverage the investment we make in our Foreign Service officers stationed in Embassies and consulates abroad. Presently, all levels of Foreign Service officers receive language training for non-English language speaking posts to which they are sent. Our personnel assigned to nations that use Chinese, Japanese, Korean, and Arabic languages receive, at Government expense, 2 years of language training. All other language programs offered are 1-year programs.

I strongly support the training of our foreign service personnel so that we have a culturally literate team of American representatives pursuing our interests abroad.

But it does seem to me that we could be doing more both to enhance our ability to pursue American political and economic interests abroad and give the taxpayer more return on his investment if we revised our guidelines for the length of assignment for our foreign service officers.

Presently, the State Department does not make a distinction between the terms of duty in those nations for which we provide 2 years of language training as opposed to 1 year. We also don't have a framework that allows us to provide longer-term assignments in those nations, particularly in Asia, that are relationship-based and are of significant consequence to America's trade and economic agenda.

Junior foreign service officers—regardless of whether they had 1 or 2 years of language training—remain in their foreign assignment just 2 years. Mid- to senior-level foreign service officers are assigned for 3 years, and can, at their own initiative, extend their assignment for 1 additional year. I think that we can get more return on our investment by extending the assignments for junior foreign service officers, who are assigned to a country for which we require a 2-year program. These countries would include China, Korea, and Japan which, of course, have very high priority on our Nation's economic radar.

I also believe that mid- to senior-level foreign officers should have their assignments lengthened from 3 to 4 years in these high-priority nations, and continue to have the personal option of extending an extra year.

I think that this framework makes good common sense and should not be a controversial matter. I would like to request that the State Department study this proposal that I have briefly outlined and report back to the Congress and to the President by May 31, 1996 on the cost savings that such a plan would generate. I also think that America would further its own interests by allowing those who develop good networks and cultural literacy in key nations to remain in place for longer periods of time.

If there was a message that I heard from those staffing our overseas posts it was that we pull our people out just when they were figuring out the lay of the land. I think that the State Department may find that revising their foreign assignment guidelines, particularly in assignments in which our taxpayers have made considerable investments in language training, would make good sense.

AMENDMENT NO. 2851

(Purpose: To require a report to the Congress on the Doppler weather surveillance radar located on Sulphur Mountain in Ventura County, California)

At the appropriate place in the bill, insert the following new section.

SEC. . REPORT ON THE DOPPLER WEATHER SURVEILLANCE RADAR

(a) STUDY REQUIRED.—The Secretary of Commerce shall conduct a study on the Doppler weather surveillance radar (WSR-88D). The study shall include the following elements.:

(1) An analysis of the property value lost by property owners within 5 miles of the weather surveillance radar as a result of the construction of the weather surveillance radar.

(2) A statement of the cost of relocating a weather surveillance radar to another location in any case in which the Dept. has been asked to investigate such a relocation.

(b) REPORT.—The Secretary shall submit to Congress a report on the study required under section (a) not later than 90 days after the date of enactment of this Act.

AMENDMENT NO. 2852

(Purpose: To express the Sense of the Senate concerning book donation programs)

At the appropriate place in the bill, add the following new section—

SEC. . SENSE OF THE SENATE CONCERNING BOOK DONATIONS.

It is the Sense of the Senate that the United States should continue to provide logistic and warehouse support for non-governmental, non-profit organizations undertaking donated book programs abroad, including those organizations utilizing on-line information technologies to complement the traditional hard cover donation program.

AMENDMENT NO. 2853

(Purpose: To prohibit funding of efforts to privatize federal prison facilities at Yazoo City, Mississippi and Forrest City, Arkansas)

At page 22, add the following at the end of line 9: *Provided further*, That no funds appropriated in this Act shall be used to privatize any federal prison facilities located in Forrest City, Arkansas and Yazoo City, Mississippi.

Mr. COCHRAN. Mr. President, my amendment prohibits the authorization of funds to privatize the Federal prison facilities located at Yazoo City, MS, and Forrest City, AR.

Mr. President, recent administration proposals regarding the privatization of Federal prison facilities has created a unique problem for Federal prison facilities located in Yazoo City, MS, and Forrest City, AR. I offer this amendment today as a fair and equitable solution to allow the Federal Government to meet its obligations to two communities while not impeding the policy objectives of the administration.

Quite a few years ago, a small community in my home State, Yazoo City, and a similar community in Arkansas, called Forrest City, competed with many other communities in our region of the country to site Federal prison facilities in their communities. Yazoo City and Forrest City were successful in their efforts. Each community now has a low and minimum security Federal prison facility ready to begin operation in early 1996.

The two facilities are similar in other ways, also. Each site has land and infrastructure in place to accommodate additional medium and high security facilities which the Bureau of Prisons had indicated were a very real possibility for the future. Both communities made substantial financial investments to enhance their respective sites with the understanding that doing so would increase their chances of gaining additional facilities.

The Clinton administration's budget contained a directive that the Bureau of Prisons privatize ''the majority of future pretrial detention, minimum and low security Federal prisons.'' Low and minimum security facilities built on the same site as medium and high security facilities are exempt from this proposal.

Mr. President all of us understand and many of us support the policy objectives of the privatization effort. However, I submit that the facilities located at Yazoo City, MS and Forrest City, AR do not qualify as future facilities and are thus not appropriate candidates for privatization.

First, the administration directed the privatization of future minimum and low security prisons. The facilities in Yazoo City and Forrest City are by no means future facilities. The Federal Government shook hands with the officials in these two communities many years ago. Each of these communities made substantial financial investments and entered contractual obligations based on the Government's agreement to site a federally run facility on their sites. To privatize these facilities at this point would be breaking a commitment to two communities who welcomed and supported the Government's decision to locate facilities among them. The terms of the agreement between the Federal Government and the citizens of these two communities must not be broken at this 11th hour.

Second, privatization of these facilities will preclude these communities from being able to compete on an equal footing with other communities for higher security Federal prison facilities. The policy of the Bureau of Prisons and the administration prohibits the locating of federally run and privately run facilities on the same site. It is also the administration's policy not to allow the privatization of medium and high security Federal prisons because of the concern of maintaining security and safety of the facilities and surrounding communities. The administration's own policy dictates that the privatization of the Yazoo City and Forrest City minimum security facilities will forever preclude the location of higher security facilities on those sites. The environmental studies and improvements necessary to accommodate higher facilities at these sites are already complete. To deny these communities the opportunity to eventually compete for higher facilities would be a disastrous waste of time and money.

Mr. President, these two communities entered a contract with the Federal Government in good faith and have made expenditures to uphold their obligations under that contract. We only ask that the Federal Government do the same. Privatization of these two facilities is a breach of the faith of these communities and violation of a contractual obligation.

I urge my colleagues to accept this amendment as a fair solution to a unique situation.

AMENDMENT NO. 2854

On page 74, 18, after ''Fund'', strike the period and insert the following: '', and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products.''

AMENDMENT NO. 2855

(Purpose: To clarify language for providing funding for the National Maritime Heritage Act)

Page 117, line 5 is amended by inserting after ''academies'' and before the colon, the following: ''and may be transferred to the Secretary of Interior for use as provided in the National Maritime Heritage Act (P.L. 103–451).''

AMENDMENT NO. 2856

(Purpose: To make available funds for the Tenth Paralympiad games for individuals with disabilities)

On page 110, between lines 2 and 3, insert the following:

SEC. 405. FUNDS FOR THE TENTH PARALYMPIAD GAMES.

Of the aggregate amount appropriated under this title for the United States Information Agency under the headings ''SALARIES AND EXPENSES'', ''EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS'', AND ''INTERNATIONAL BROADCASTING OPERATIONS'', $5,000,000 shall be available only for the Tenth Paralympiad games for individuals with disabilities, scheduled to be held in Atlanta, Georgia, in 1996, consistent with section 242 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2452 note).

Mr. COVERDELL. Mr. President, I would like to thank the distinguished managers for their assistance in the adoption of this very important amendment. Next summer, the city of Atlanta will host the Tenth Paralympiad. This event will draw 119 countries and 3,500 world-class athletes with physical disabilities to the United States to complete in the largest global summit on disability. Leaders from the international disability community will observe the progress made in the country on disability policy first hand.

This amendment will allow the Director of the United States Information Agency (USIA) to direct $5 million of the funds appropriated to USIA for the Tenth Paralympiad. Since 1994 USIA has been encouraged to promote events and activities involving individuals with disabilities. The passage of this bi-partisan amendment is in keeping with the purpose of USIA.

With the adoption of this amendment, international awareness will be increased, but more importantly it will be a chance to showcase American leadership in opportunities for people with disabilities.

I strongly encourage the Senates conferees to retain this amendment during the House Senate conference next month, and I thank the managers once again.

Mr. NUNN. Mr. President, this amendment is important in many ways, and I am proud to join my colleague from Georgia in bringing this matter to the attention of the U.S.

Senate. As many Americans know, the Centennial Olympic games will begin in Atlanta on July 19, 1996, and conclude on August 4. Many people do not know, however, that just 12 days after the conclusion of the 1996 Summer Olympics, another sporting event of great magnitude will begin. The Paralympic opening ceremony will be held August 16 and over the next 12 days more than 3,500 athletes from 119 nations will compete in 19 different sports. This will be the largest gathering of people with disabilities ever assembled anywhere in the world.

The origins of the Paralympic movement goes back to 1946 when Sir Ludwig Guttman organized the International Wheelchair Games to coincide with the 1948 London Olympics. Since that time, the official Paralympic organization has been established, and the Paralympic Games have been held nine times in nine countries across the globe. The 1996 Atlanta paralympics will mark the tenth and largest gathering with an expected 1.5 million spectators. Over the years, the Paralympics have expanded from wheelchair athletes to include amputees, the blind, those with cerebral palsy, dwarfs and those with a variety of other physical limitations.

In 1994, Congress expanded the U.S. Information Agency's mission to include direction to promote exchange and training activities on disability matters. This American leadership has helped to create international visibility and awareness of disability concerns and has encouraged and reinforced the provision of opportunity for people with disabilities around the world. The Paralympics gives people with disabilities not only the right, but the opportunity to show what they are able to do.

Consider, for example, Ajibola Adoye, a Nigerian runner who, despite the amputation of one arm, ran faster than the fastest, able-bodied runner in his country in the 1992 Olympic Games. The Paralympics lets athletes like Ajibola Adoye represent their countries in international competition at the Olympic level. While many events have been modified in certain ways to accomodate the disabilities of the participants, amazingly, many Paralympic athletes still remain competitive in standard Olympic events.

In addition to celebrating the outstanding talents and achievements of disabled athletes, next summer's Paralympiad also serves another important function. It will serve as an international forum, bringing leaders in the international disability community to Atlanta to address issues vital to the disabled worldwide. Developments in disability-related technology and public policy in the United States and other nations will be highlighted. The Paralympiad is an unprecedented chance to showcase American leadership in creating opportunities for people With disabilities. The Americans with Disabilities Act is just one example of such leadership.

The United State is a leader in the development of prosthetic equipment and disability health care. U.S. Paralympic athletes will make use of the most state-of-the-art prosthetic equipment when they compete in the games. Regrettably, much of this equipment is unavailable to the developing nations. The experience of many countries torn by war and conflict, where many people, including children, have lost limbs from land mines and other weapons of war, demonstrates the pressing need for advanced prosthetic devices. The Paralympiad brings representatives of those countries to the United States to see our latest developments and fosters their export to the world.

A fundamental goal of U.S. disability-related public policy has been to foster increased economic independence among the disabled. Sport is an established pathway for the disabled to reach self-sufficiency, helping to break the expectation of life-long dependence among the disabled. It is also a powerful tool to change attitudes among the general public. We know that changing attitudes is more effective than mandating behavior. The impact of watching a sprinter run less than two-seconds off Carl Lewis' pace on two prosthetic legs can change the way the world perceives the abilities of people with disabilities.

By bringing many of the disabled from around the world to the United States, this one event will do more to communicate our achievements and commitment to ensuring opportunity than holding a number of smaller-scale individual exchanges, which would be considerably more expensive. I believe the types of exchange activities envisioned by the Paralympic Organizing Committee are perfectly consistent with the USIA mandate.

Last year, the Congress saw fit to appropriate $1.5 million in USIA funding for the Paralympics games. This amendment, if adopted, would reserve $5 million from the USIA's general accounts for the Paralympic Games. It is consistent with the report language adopted by both the House and Senate Appropriations Committees which urged ''that support be increased for this program to the maximum extent possible within the resources provided, since this is the year the program will take place.''

This funding would help support the international exchange events centered around the competition, including the international forum on disability, adaptive technology displays, as well as follow-through dissemination of materials and information. In addition, every Federal dollar is expected to attract at least $8 of private support. Let me also add that funding is contingent upon satisfactory compliance with financial oversight and reporting procedures just like any Federal contract. If the Paralympic Organizing Committee does not comply, USIA may exercise its discretion not to release any of this funding.

The 1996 Paralympiad presents an unparalleled opportunity for cultural exchange and education. The Paralympics has never before been hosted by a country with a comprehensive disability rights law, and international expectations could not be higher. Leaders from around the world will be drawn to witness the progress the United States has made in the inclusion of those with physical disabilities. I am pleased to support this measure.

Mr. STEVENS. Mr. President, I urge other Members to vote for this amendment to provide $5 million for cultural and educational exchange activities at the 1996 Paralympics in Georgia.

The Paralympics have grown significantly in size and popularity, yet still do not have the liability to get corporate support that the Olympics have—1996 will be one of the largest gatherings of disabled athletes in history, and the money provided in this amendment will allow for the full and open exchange of ideas and information by disabled persons from around the world.

I believe that our country has been a leader in ensuring access and equality for disabled individuals, and we should capitalize on this important opportunity at the 1996 games to share what we have done and to learn from others.

This appropriation has been authorized by legislation crafted by Senator DOLE, section 242 of the Foreign Relations Authorizations Act (P.L. 103–236), which was passed last year

I strongly support the goals and spirit of the Paralympics and urge my colleagues to do the same by voting for this amendment which I have cosponsored with Senators COVERDELL and NUNN.

AMENDMENT NO. 2857

(Purpose: To provide that voter registration cards may not be used as proof of citizenship. At the appropriate place in the bill, insert the following new section:

SEC. . Notwithstanding any other provision of law, a Federal, State, or local government agency may not use a voter registration card (or other related document) that evidences registration for an election for Federal office as evidence to prove United States citizenship.

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AMENDMENT NO. 2858

(Purpose: To provide funding for the Ounce of Prevention Council)

On page 29, line 7, strike ''$750,000,000'' and insert $2,000,000 for the Ounce of Prevention Council pursuant to subtitle A of title III of the Violent Crime Control and Law Enforcement Act (Public Law 103–322); $748,000,000''.

On page 102, line 12, strike ''$5,550,000'' and insert ''$5,800,000''.

On page 102, line 18, strike ''$14,669,000'' and insert ''$15,119,000''.

At the appropriate place in title IV, insert the following new section:

SEC. . GREAT LAKES FISHERY COMMISSION.

Notwithstanding any other provision of law—

(1) the Department of State shall continue to carry out its authority, function, duty,

and responsibility in the conduct of foreign affairs of the United States in connection with the Great Lakes Fishery Commission in the same manner as that Department has carried out that function, duty, and responsibility since the Convention on Great Lakes Fisheries between the United States and Canada entered into force on October 11, 1955; and

(2) the authority, function, duty, and responsibility of the Department of State referred to in paragraph (1) shall not be transferred to any other Federal agency or terminated during any fiscal year in which the Convention referred to in paragraph (1) is in force.

AMENDMENT NO. 2859

(Purpose: To make localities eligible for reimbursement of criminal alien incarceration costs)

On page 28, lines 22 and 23, strike ''by section 501 of the Immigration Reform and Control Act of 1986'' and insert ''by section 242(j) of the Immigration and Nationality Act''.

On page 64, between lines 22 and 23, insert the following:

SEC. 121. Notwithstanding any other provision of law, amounts appropriated for fiscal year 1996 under this Act to carry out section 242(j) of the Immigration and Nationality Act shall be allocated by the Attorney General in a manner which ensures that each eligible State and political subdivision of a State shall be reimbursed for their total aggregate costs for the incarceration of undocumented criminal aliens during fiscal years 1995 and 1996 at the same pro rata rate.

Mrs. FEINSTEIN. Mr. President, this amendment makes a technical correction to the bill's current language appropriating funds for the State Criminal Alien Assistance Program, known in short as SCAAP.

I was very pleased last year to be part of a bipartisan group of Senators who introduced legislation to establish SCAAP, which was ultimately made part of the crime bill. SCAAP was established in recognition of the burden placed on State and local governments by the Federal Government's failure to control illegal immigration, when State and local governments then find themselves faced with the high cost of incarcerating persons who enter this country illegally and are later convicted of felonies.

Unfortunately, a glitch in the appropriations language prevented SCAAP from completely fulfilling its purpose—contrary to SCAAP, local governments were excluded from reimbursement. Even more unfortunately, this mistake has been replicated in the appropriations bill which we now have before us.

Specifically, this appropriations bill, like last year's appropriations bill, provides that the funds appropriated for SCAAP shall be available as authorized by section 501 of the Immigration Reform and Control Act of 1986 [IRCA], rather than as authorized by SCAAP itself, which was enacted as section 242(j) of the Immigration and Nationality Act, as part of the 1994 Crime Act.

Section 501 of IRCA only provides for reimbursement to States, not to localities. The reference to IRCA, in effect, means that only States and not localities would be reimbursed for their costs from not only the $130 million in fiscal year 1995 SCAAP funds, but also the $300 million in fiscal year 1996 funds that would be appropriated under this bill.

It is important to note that not only is the reference to IRCA inconsistent with SCAAP itself, it is also inconsistent with the committee's own report, which references the Crime Bill, not IRCA.

My amendment would correct this apparent error and eliminate this inconsistency.

It also would ensure that all States and localities would be equitably reimbursed for their combined fiscal years 1995 and 1996 costs at the same percentage rate.

Therefore, it corrects for any inequities in the allocation of fiscal year 1995 SCAAP funds to States as well as to localities. It is noteworthy that, because fiscal year 1995 was the first year of the SCAAP program, there necessarily would be start-up delays in setting up procedures to identify criminal alien inmates whose costs are reimbursable. My amendment would ensure that States which could not identify all, or most, of their allowable costs before fiscal year 1995 allotments were made, would not be penalized.

It is also important to note, Mr. President, that this amendment neither increases nor reduces the amount of money appropriated for SCAAP, but only affects who can access that money.

In expanding access to that money to local governments, we are: First, furthering the goal of Senators who wish to send authority away from the Federal Government, by allowing for direct grants to the level of government closest to the people, local government: and second, removing a level of bureaucracy by not making localities go through State governments.

This amendment has important, real-world consequences. Many localities, especially in California, have been hurt more by illegal immigration than have many States.

In Los Angeles County, for example, based on the preliminary results of a joint County-INS effort to identify deportable criminal aliens in the county's jail system, the percentage of all county jail inmates who are deportable criminal aliens has increased to 17 percent from 11 percent in May 1990.

The growing impact of criminal aliens on the county's criminal justice system not only imposes a major financial burden on the county, which must finance the costs, but also endangers the public's safety.

Because of the county's major budget problems, which have been worsened by the impact of criminal aliens, the county had to close three of its jail facilities earlier this year. As a result, many criminals, who, otherwise, would be incarcerated, now are on the streets of Los Angeles.

I am pleased to report that this amendment is supported by the National Association of Counties, the National League of Cities, the U.S. Conference of Mayors, cities throughout the country, including New York City and Chicago, and by local governments throughout the State of California.

I therefore urge my fellow Senators to support their cities, counties, and towns, and vote in favor of this amendment.

I yield the floor.

AMENDMENT NO. 2860

On page 85, line 14 add the following new section:

SEC. 207. None of the funds appropriated under this Act or any other law shall be used to implement subsections (a), (b), (c), (e), (g), or (i) of section 4 of the Endangered Species Act of 1973, (16 U.S.C. 1533) until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(i), and 4(c)(2)(B)(ii) of the Act.

Mr. GORTON. Mr. President, the amendment I offer today is identical to a provision included in the Senate's fiscal year 1996 Interior appropriations bill. The Senate bill included language that prohibits the U.S. Fish and Wildlife Service from listing species, and designating critical habitat under the Endangered Species Act. Like the Interior provision, the amendment I offer today allows the Secretary to continue to implement recovery plans for listed species, implement 4(d) rules, de-list, downlist, and remove species from the list altogether. In other words, this amendment would place a time out on further listings under the act until a reauthorization is enacted into law, or until the end of fiscal year 1996.

The majority of the Senate voted earlier this year to support a similar amendment to the Department of Defense Supplemental Appropriations bill. The Senate voted 60–38 to adopt the Hutchison amendment that effectively placed a moratorium on the listing of species under the act by rescinding funds from the Fish and Wildlife Service listing account.

The House Commerce, State, Justice bill zeroed out the ESA listing account, but did not include bill language backing up its decision not to fund the listing account. I believe that the amendment I offer today, while some Senators may not support it, will give the administration support to fend off potential lawsuits down the road, possibly demanding that it list one species or another.

Unlike the House bill, my amendment does not reduce funds for any of the ESA accounts funded within the Department of Commerce.

This amendment is not an attempt to put off forever the debate on reauthorization of the ESA. To the contrary, this Senator desperately wants to see the ESA reauthorized. Senator JOHNSTON and I have introduced legislation to amend and reauthorize the act, and we hope that the Senate will take up legislation to reauthorize the act sometime this Fall. As many of you know,

Congressmen YOUNG and POMBO recently introduced legislation in the House of Representatives to reauthorize the act.

What this amendment does is to ensure that both the Secretary of Interior and the Secretary of Commerce—both of whom have jurisdiction over implementation of the ESA—are implementing the law consistently. If the full committee adopts my amendment, both Secretaries will be held to the same standard—to implement a time out on further listings under the act.

The amendment places a prohibition on the use of funds for the implementation of subsections (a), (b), (c), (e), (g), or (i) of section 4 of the Endangered Species Act, until legislation reauthorizing the act is enacted or until the end of fiscal year 1996, whichever comes first. Essentially this provision prohibits the listing of species and the designation of its critical habitat.

This amendment allows funds to be used to determine whether or not a species should be removed from the list, delisted, or downlisted from its current status. (Pursuant to subsections 4(a)(2)(B), 4(c)(B)(i), and 4(c)(2)(B)(ii) of the act.)

These subsections specifically allow for the following actions:

Funds may be used to implement subsection 4(a)(2)(B) that allows the Secretary to remove a species from the list pursuant to subsection (c) (the provisions cited below), or to be changed in status from endangered to threatened.

Funds may be used to implement subsection 4(c)(2)(B)(i) that would allow the Secretary to remove a species from the list. In other words, whether or not a species should be delisted.

Funds may also be used to implement subsection 4(c)(2)(B)(ii) that would allow the Secretary to determine whether a species should be changed in status from an endangered species to a threatened species. In other words, whether or not the species should be down listed.

Funds may be used by the Secretary to implement subsection 4(d) that would allow the Secretary to issue protective regulations for threatened species. This is what is commonly known as a 4(d) rule, which, as many of you may know, has been used by this administration in an attempt to provide protection for threatened species, and a degree of flexibility for landowners.

Funds may be used by the Secretary to implement subsection 4(f) that would allow the Secretary to continue to implement recovery plans for already listed threatened and endangered species.

Funds may be used by the Secretary to implement subsection 4(h) that allows the Secretary to issue agency guidelines, and adhere to notice and public comment requirements.

AMENDMENT NO. 2861

(Purpose: To provide funds for the Community Relations Service)

On page 12, between lines 2 and 3, insert the following:

COMMUNITY RELATIONS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $10,638,000: *Provided*, That such additional funds as may be necessary for the resettlement of Cuban and Haitian entrants shall be available to the Community Relations Service, without fiscal year limitation, to be reimbursed from the Immigration Examinations Fee Account: *Provided further*, That, notwithstanding any other provision of this Act, the funds made available pursuant to this Act under the heading ''Federal Bureau of Investigation, Salaries and Expenses,'' shall be reduced by $11,170,000.

AMENDMENT NO. 2862

Page 19, strike line 7 through line 17 and insert the following: *Provided further*, That the Office of Public Affairs at the Immigration Naturalization Service shall conduct its business in areas only relating to its central mission, including: research, analysis, and dissemination of information, through the media and other communications outlets, relating to the activities of the Immigration Naturalization Service: *Provided further*, That the Office of Congressional Relations at the Immigration and Naturalization Service shall conduct business in areas only relating to its central mission, including: providing services to Members of Congress relating to constituent inquiries and requests for information; and working with the relevant Congressional committees on proposed legislation affecting immigration matters.

AMENDMENT NO. 2863

(Purpose: To make available funds for the International Labor Organization)

Before the period at the end of the paragraph under the heading CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS'', insert the following: '': *Provided further*, That funds appropriated or otherwise made available under this heading may be available for the International Labor Organization''.

Mr. HATCH. Mr. President, I rise today to offer an amendment that would allow for continued participation by the United States in the International Labor Organization, or the ILO.

The report language for this bill recommends prohibiting the use of appropriated funds to pay for U.S. membership in the ILO. This was the position stated in the State Department authorization bill introduced earlier this year.

Mr. President, I cannot support U.S. withdrawal from what I believe to be one of the more effective specialized agencies of the United Nations, the ILO.

Our amendment is budget neutral—it simply allows that funds appropriated under the international organizations account may be made available for the ILO.

I am honored to be joined in this effort by the distinguished Senator from New York, Senator MOYNIHAN. Senator MOYNIHAN probably knows more of the history of the ILO than any individual in this body. My esteemed colleague wrote his dissertation on the ILO 35 years ago. He was the chairman of the hearings held on the five conventions passed since 1988, and was the floor manager for the ratification debates. I have always been grateful that we could work together to strengthen our nation's role in the ILO.

I am also pleased to have as cosponsors of this amendment Senators STEVENS, JEFFORDS, PELL, HARKIN, SARBANES.

Because the ILO represents one of the most solid collaborations to address international human rights that has ever been institutionalized, support for it has always been bipartisan.

But today some are reconsidering the utility of the ILO. Perhaps part of the reason is because it is associated with the U.N., which has done much to earn criticism in recent years.

I remind my colleagues, however, that the ILO—and U.S. participation in it—precedes the creation of the United Nations. When the United Nations was formed, the ILO had been around for a quarter of a century. The ILO became the United Nations first specialized agency.

The ILO was founded as an organization that would represent governments, labor, and employers in a mission to improve the working conditions of people worldwide.

This exceptional international organization works to accomplish these goals by, first, setting international standards in the form of conventions and recommendations that it supervises; second, supporting economic development, including employment creation, through technical assistance programs; third, analyzing workplace problems and issues through research; and fourth, highlighting workplace abuses through public criticism.

The ILO is based on a system of compliance: with its conventions, which are similar to treaties, and with its recommendations, which are policy guidelines.

It uses persuasion, not confrontation, to effect the improvement of labor standards worldwide. Where it challenges abuses of men, women, or children in the workplace, it operates with what has been referred to as ''the mobilization of shame.''

As such, the ILO is as much a human rights organization as it is an organization to promote labor standards.

And this is an important point, Mr. President. It is worthwhile noting that, because it combines technical assistance programs for developing employment and maintaining labor standards with its annual criticisms of abuses of workers, the ILO has been called the most effective human rights organization in the world.

Some have questioned the relevance of the ILO in today's world, questioning its structure and role.

But five former secretaries of labor—3 from Republican administrations, 2 from Democratic administrations—

have spoken out recently in favor of continuing support for the ILO. Every secretary of labor has credited the ILO with defending and improving labor conditions worldwide.

I believe that the on-going mission of the ILO is more important today than ever before, and that its tripartite approach—involving private sector business and labor representatives alongside governments—is the strength that makes the ILO extremely relevant around the world.

Throughout central Europe, for example, we are seeing a remarkable transition from centrally planned economies to democratic marketplaces. If the economic transition falters, we know that political stability will be threatened.

But the shift has created an incredible challenge to those societies in terms of accepting new norms of behavior and exchange. We cannot ignore the suspicions that many in the region still hold about capitalism—suspicions driven by old, socialist mentalities or new insecurities as a result of economic dislocation.

The ILO's tripartite structure—demonstrating the compatibility and progress that come when governments, labor, and employers work together—provides the best credibility to societies who have previously held antagonistic views toward such voluntary cooperation.

This credibility allows the ILO to participate in helping to establish the labor standards in countries where governments may be reluctant, businesses may be suspicious and labor may be exploited. This credibility drawn from its tripartite approach helps secure the economic institutions necessary for these countries to succeed as free-market democracies.

In central Europe, the ILO was there during the dark days, and its dedicated support of Solidarity under communism is perhaps its best known case. The historic role the ILO played in supporting Solidarity during its years underground is still credited by international democrats as critical in the triumph of democracy in that country.

But its role continues now that these countries have come into the light of freedom and the ILO works to institutionalize the values we believe make the marketplace fair and benign. President Lech Walesa has appealed to the leaders of the Senate to continue their support for the ILO, which President Walesa says ''operates on behalf of all those who have been fighting tyranny around the world.'' I completely agree with President Walesa when he says that ''The future of the ILO without the engagement of your country is difficult to imagine.''

The ILO addresses the most driving dynamic within and among nations today: the relentless need for economic development.

Among developing countries in particular, the need for economic development is the single factor that determines whether these countries can maintain social stability and political evolution. And the most important component in economic development is job creation. When nations can't create jobs for their people, poverty and instability result.

Over the past decades, nations around the world have recognized that trade promotes growth and employment.

Mr. President, I am a strong believer in free trade. For developed nations, trade with the less developed world is increasingly a factor that drives our economies. But we know that amidst our debates on free and open trade remains the concern of competing with low-wage economies, where—and we must concur with the critics of free trade here—the lack of labor standards can contribute to unfair advantages.

In this country, we have wrestled and debated over this issue recently during the NAFTA and GATT debates. I am very sympathetic to this criticism, Mr. President. I have always thought that we can take two approaches to this question: We can either restrict our trade with developing nations, which I believe would be extremely counterproductive—both for us and for them. Or we can address the issues of labor practices in a productive way.

In addressing the issue of unfair labor practices, we have two approaches. We can seek to force labor standards on trading partners through unilateral confrontation and linkages, which I believe can be counterproductive and could lead to increases in protectionism.

Or we can work with these nations to raise their standards.

The ILO provides the multilateral forum where we can work with nations to improve labor conditions. It is the only international organization that can serve this critical challenge.

Since its inception in 1919, the ILO has set international standards for labor conditions. These standards have been incorporated into national legislation throughout the world, including, for example, our Trade Act of 1974, which uses standards defined by the ILO.

I believe that by continuing to support the ILO we have the best mechanism to promote labor standards in the developing world, thereby supporting fair trade. The ILO works for us so that we do not suffer the disadvantages of competing with nations who believe they can continue to abuse their labor populations for profit.

Mr. President, I must stress that the ILO has strong labor and business support in this country.

The U.S Council for International Business, which is an affiliate of the International Chamber of Commerce and represents U.S. business in the ILO, has been very outspoken about the need for our continued support for the ILO: In a letter it has sent to Members of this body, it has argued, and I quote:

> ''For American businesses, there are three critical reasons why the United States should continue its participation in the ILO:
>
> To support its technical assistance and employment policy activities, which promote job creation, enterprise development, and flexible labor markets, thus reducing protectionism encountered by American companies in developing countries and newly emerging economies.
>
> To ensure that American companies continue to have a voice in setting international labor standards that have an impact on their operations and profitability.
>
> To promote the rights of workers and oversee adherence to good labor practices, which we believe is an acceptable alternative to using trade sanctions to promote these rights.

As the Business Roundtable said in a recent statement to Congress: . . . the United States should upgrade its participation in the ILO . . . rather than seek to address international labor standards in the World Trade Organization.

The ILO plays a role in employment creation, institution building, and the promotion of trade. With its research programs, the ILO provides highly technical information on labor and employment trends and issues. With its many programs of technical assistance, the ILO provides on-the-ground programs to help advance labor law, design social security schemes, establish employer associations, and provide industrial retraining. And by promoting its labor standards, the ILO works to ensure that the labor content of the goods and services flowing within and among nations meets minimum standards.

Some have argued that such programs are just a taxpayer supported means for imposing labor and social policies on other nations that do not even serve low-skilled workers in the United States.

But the ILO does not impose. It offers flexibility in working with other nations under the aim of promoting fully minimally international labor standards. Its goal is to ensure that U.S. industry—and U.S. workers—will not be displaced because other countries gain unfair trade advantages through labor exploitation.

Mr. President, the ILO is the voice for freedom of association, freedom from forced labor, equality of treatment in employment, and the elimination of child labor.

We should speak with this voice, Mr. President, because the ILO represents our values.

We believe in human rights, Mr. President, and we believe that we must work to improve human rights around the world. In promoting human rights, it has always been difficult to achieve the balance between idealistic pronouncements and practical policies. The ILO achieves this balance in practice.

Every year, during its annual conference, the ILO levels its criticism against nations that violate workers' rights. In this year's conference, the governments of Nigeria and Burma were singled out. In the past, Bangladesh, China, Cuba have been criticized for violations. Mr. President, the abuses in these nations are our concerns.

The ILO estimates that as many as 200 million children worldwide are working in jobs that are dangerous, unhealthy and inhumane. The ILO has responded with its International Program on the Elimination of Child Labor, for which Congress appropriated $2.1 million grant in 1994. This program has initiated global research to develop a comprehensive statistical rendering of the extent of this problem. But the ILO has gone beyond research to work on implementing solutions: It set standards on minimum age for employment in its Convention No. 138. And it works with other international organizations to address these critical problems.

For example:

In Pakistan, ILO involvement has contributed to that country abolishing its bonded labor system and discharging all bonded labor from any obligation. The ILO continues to monitor the situation of child labor in that country.

In Bangladesh, the ILO recently played a key role in getting government and producers to monitor new regulations limiting the use of children in the carpet industries and providing alternate education programs. This recent development resulted in the U.S. Child Labor Coalition calling off a planned boycott.

Mr. President, the abuse of children in the workplace around the world is a concern to most Americans. The ILO is working on solutions.

Through most of this country's association with the ILO, it has had bipartisan support. It has had the support of all U.S. Secretaries of Labor since our entry in 1934. It has the support of AFL-CIO. It has the support of the U.S. Council for International Business. How much more bipartisan can you get?

Finally, Mr. President, it is important, in this day, to mention budgets. The administration requested $64 million to pay this year's contribution to the ILO.

Every Member in this Congress has had to face unpleasant choices about cutting budgets. I do not believe that our international activities should be immune from such considerations. Our international contributions are going to have to be subject to the same fiscal restraints we will be applying to our domestic programs. Following on last week's Foreign Operations bill, where we successfully scaled back some of our international obligations, the figures in this bill clearly represent this hardheaded approach.

I am very pleased to note that the ILO has recognized the realities we must face and that, in their June conference, they began to discuss further cost-saving measures to compensate for expected shortfalls.

One last assurance for those who are still reticent to support the ILO. The United States is not bound by any of its conventions unless we choose to ratify them. The U.S. cedes none of its sovereignty to the ILO. We bow to no decision, pronouncement, or convention with which we disagree or which are not in our country's interests.

But, in fact, the ILO can play a key role in facilitating American values abroad; it is an organization for promoting our values.

Mr. President, infusing all our debates these days is how to participate in a post-Cold War world. One of the questions we must face is: how should we work with international organizations? This is an especially critical question, considering the overreliance some hold for multilateral approaches to everything from war-making to peacekeeping.

Mr. President, when I think of which international organizations we should support, the answer is simple: Those that promote our values and our goals. The International Labor Organization is such an organization.

It promotes our values of fairness and human rights in the work place. It promotes our goals to improve the economic conditions of nations around the world, because it promotes our belief that economic growth is a positive-sum game, and when workers benefit in one part of the world, we all benefit.

Mr. MOYNIHAN. Mr. President, I am pleased to join the distinguished chairman of the Committee on the Judiciary, Senator HATCH, in offering this hugely important amendment. Senator HATCH and I have worked together on matters related to the International Labor Organization for a decade now, and we believe it would be a serious error for the United States to withdraw from participation in the ILO at this time.

The Senator from Utah does not raise this issue lightly, nor does the Senator from New York. Senator HATCH's concern grows in part from his experience with the ILO during his tenure as chairman of the Committee on Labor and Human Resources in the mid-1980's. In 1985, he held a hearing to consider whether there was a link between the failure of the United States to ratify ILO conventions and our influence within the ILO.

The Senator from New York has also had an abiding interest in the ILO for many years. In 1975, while serving as our Ambassador to the United Nations under President Ford, it fell to me to draft the letter announcing our intention to withdraw from the ILO after a mandatory 2-year notice period. Later, on July 19, 1977, I rose on this floor to announce our intention to do just that. And again on September 25, 1980, after the ILO had met the conditions we laid down, I informed the Senate of our return to the organization.

I would also note that I wrote my doctoral dissertation on the history of U.S. involvement in the ILO from 1889 to 1934.

The Senator from Utah and I have taken the floor to suggest, before the Senate acts to abruptly terminate U.S. participation in the International Labor Organization, that we carefully consider how and why we came to participate in the first place. The history of the ILO goes a long way back in our national life, before it finally came to fruition at the end of the Great War. The premise of the ILO as stated in the Preamble to the ILO Constitution is that:

> [T]he failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries.

If States fail to act together to improve labor practices, an imbalance occurs and an unfair advantage is created. We ought to be taking steps to strengthen our leadership in the ILO. Instead, by prohibiting funding for the ILO, the current bill requires our withdrawal.

One of the primary concerns arising from the situation of workers during World War I was that some attention be paid to the fact that labor standards often fell victim to international trade. At war's end, the opportunity arose to address this problem.

The Western nations, shaken by the revolution that swept Russia in 1917, were inclined to act. Samuel Gompers of the American Federation of Labor was enthusiastically received as he traveled through Europe in the fall of 1918 to speak out against the growing Bolshevik influence in the European labor movement. Creation of an international labor organization became imperative to prevent uprisings like the one in Russia from spreading across Europe. So much so that as the terms of a new international order were being drawn up at the peace conference, a commission headed by Gompers created the ILO. It was much more a part of the campaign for the League of Nations than we might remember.

In 1991, then-Secretary of Labor Lynn Martin testified before the Senate Foreign Relations Committee about the significance of the ILO.

> It was Abraham Lincoln of Illinois who summed up democracy when he said that ''working men and women are the basis of all government.''
>
> . . . As such, the political structure of the ILO itself illustrates the truth of Lincoln's remarks and, hence, reinforces the linkage between democracy and a free economy, between democratic values, independent trade unions, and free enterprise.

The League of Nations, which was the subject of such fierce debate on the Senate floor in the fall and winter of 1919–20, came to life somewhat furtively in the clock room of the Quai d'Orsay in Paris in January 1920. In point of fact the League system had already begun to work here in Washington in October and November of 1919

when the first international labor conference was held pursuant to article 424 of the ILO Constitution, which was signed as part of the Treaty of Versailles on June 28, 1919.

The Washington Conference, held at the Pan American Union Building, turned out to be an almost complete success, despite all the prospects of failure. Six major labor conventions, the first human rights treaties in the history of the world, were adopted, including the 8-hour day convention, and the minimum age convention.

Woodrow Wilson, on his great trip across the Nation campaigning for the United States to join the League, spoke continuously of the International Labor Organization. Indeed, almost the last words he spoke before his stroke, before he collapsed in Pueblo, CO, were about the ILO. He told the people in Colorado about the League covenant and the ILO. But he collapsed, and was prostrate when the International Labor Conference was organizing here in Washington.

His Secretary of Labor, William B. Wilson, did not know what to do. The Senate was caught up in a protracted debate about whether to have anything at all to do with the League. A very distinguished British civil servant, Harold Butler—later Sir Harold Butler—arrived in New York by ship and then came down here, assigned to put in place the new international organization. He found the President prostrate and silent, and the Secretary of Labor unable to take any action without the President.

By sheer chance, Butler dined one evening with the then Assistant Secretary of the Navy, a young, rising New York political figure, Franklin Delano Roosevelt, and his wife Eleanor. Butler recounted his difficulties. ''Well, we have to do something about this,'' said Roosevelt. ''I think I can find you some offices at any rate. Look in at the Navy Building tomorrow morning and I will see about it in the meanwhile.'' Roosevelt was devoted to Wilson. By the next day Roosevelt had 40 rooms cleared of its admirals and captains to make room for the conference.

Harold Butler later became the second director-general of the ILO, serving from 1932 to 1938. Subsequently, he returned to Washington during the second World War and his continued friendship with President Roosevelt made him a hugely influential figure in the wartime alliance.

Just as Roosevelt helped get the ILO off the ground, when he came to the Oval Office, his administration soon laid the groundwork for the United States to join. In June of 1934, the House and Senate both passed a resolution clearing the way for our participation. The ILO is the part of the League system the United States was least likely to join. The League system consisted of the League itself, the Permanent Court of International Justice, and the ILO. In fact, the ILO was the only one we did join and it was the only one to survive the next war. A tribute to its enduring importance.

Last year, Congress approved U.S. participation in the World Trade Organization. This was the culmination of a half century of negotiations to break down trade restrictions. Yet continued progress toward free trade brings with it a danger that labor standards will be threatened. This was the primary motivation for forming the ILO three quarters of a century ago. As trade barriers continue to be broken, labor standards in our country will increasingly be linked to standards in other countries. Maintaining humane, minimum labor standards was the primary motivation for forming the ILO three quarters of a century ago. The first priority of the ILO—which is closely related to encouraging the democratic process—remains the defense of worker rights and the application of international labor standards.

In a recent letter to all Senators, Abraham Katz, President of the U.S. Council for International Business—which includes among its members the U.S. Chamber of Commerce—lists as one of the three critical reasons the United States should continue to participate in the ILO:

To ensure that American companies continue to have a voice in setting international labor standards that have an impact on their operations and profitability.

He adds that participation is vital

to promote the rights of workers and oversee adherence to good labor practices, which we believe is an acceptable alternative to using trade sanctions to promote these rights. As the Business Roundtable said in a recent statement to Congress: ''. . . the United States should upgrade its participation in the ILO . . .,'' rather than seek to address international labor issues in the World Trade Organization.

The ILO is the place to address human rights as they relate to employment. The ILO was the forum for the first human rights conventions the world has known. Perhaps none is more important than the right of workers to organize and bargain collectively. I recall then Secretary of Labor Elizabeth Dole's testimony before the Committee on Foreign Relations on November 1, 1989:

[T]he International Labor Organization is the United Nations' most effective advocate of human rights.

We are all aware, for example, of the ILO's courageous support of Solidarity during the darkest days, and the critical role it has played in Poland's historic journey to democracy.

The efforts of the ILO on behalf of Solidarity were extraordinary. Poland had ratified ILO Convention 87 on Freedom of Association and Protection of the Right to Organize, and Convention 98 on the Right to Organize and Bargain Collectively. Ratification of these Conventions was a fact Poland could not deny. In 1978, the International Federation of Free Trade Unions charged Poland with violating Convention 87. After repeated requests from the ILO to Poland to comply with Convention 87, Poland's Minister of Labor wrote to the ILO Director General in 1980, stating that Poland officially recognized Solidarity, the first independent trade union to gain national recognition in a Communist country—the first ever. Lech Walesa was allowed to attend the 67th session of the International Labor Conference. A year later, Poland tried to suspend trade unions, but the ILO would not relent. Poland could not deny the basic fact that they were obliged by treaty to recognize Solidarity, and domestic law, even martial law, could not undo those treaty obligations. Repeated criticism from the ILO kept pressure on the Polish government to allow the return of Solidarity. Finally, in April 1989, the legal status of Solidarity was restored by the Polish government and followed quickly by democratic elections. Now President Walesa has written Senator DOLE stating:

The ILO, thanks to the activism of its officials, played a significant role in reminding the world of our existence and our goals. It supported us in the most difficult times of our underground existence. The Committee on Inquiry created by the ILO after the imposition of martial law in my country made significant contributions to the changes which brought democracy to Poland.

Our relations with the ILO have at times been stormy. In the 1970s the ILO came to apply a double standard to the conduct of nations in the West as opposed to the totalitarian block and was being abused as a forum to carry out political agendas unrelated to its legitimate purposes, and thus we withdrew from the ILO in 1977. Our withdrawal had the desired effect: the ILO responded to our concerns and in 1980 we rejoined.

Since then we have increased our engagement with the ILO. For instance, up until 1988, the United States had only ratified 7—6 maritime and 1 technical—of the 176 ILO conventions. However, in 1988 a new era commenced. The United States ratified its first convention in 35 years. At this point I must acknowledge the role in this turnabout played by the sponsor of this amendment, the distinguished Senator from Utah, Senator OBRIN G. HATCH. In 1985, during his tenure as chairman of the Committee on Labor and Human Resources, Senator HATCH recognized that the ILO had put into place a comprehensive set of conventions which protected the human rights of workers around the world. He clearly saw the failure of the United States to ratify these very same conventions weakened our influence within the ILO and limited our ability to use those conventions in pursuing reforms in other nations. Senator HATCH proposed that we again begin ratifying ILO treaties, and we have done.

In all, the Senate has now ratified five conventions since 1988. Most notably in 1991 when the United States for the first time ratified an ILO human rights convention: Convention 105 on the Abolition of Forced Labor, an area

where the ILO has made vital contributions.

ILO Convention 105, ratified by the Senate on May 14, 1991 by a vote of 97 to 0 abolishes the use of forced labor in five specific circumstances: First, as a means of political coercion, second, as a method of mobilizing and using labor for purposes of economic development, third, as a means of labor discipline, fourth, as a punishment for having participated in strikes, and fifth, as a means of racial, social, national or religious discrimination. This convention addresses one of the great crimes against humanity that the 20th century has known, the forced labor camps of the totalitarian states. It builds on an earlier ILO Convention, 29 which calls on ratifying nations to suppress forced labor in all its forms. Convention 29 defines forced labor as ''all work or service which is exacted from any person under the menace of any penalty and for which that person has not offered himself voluntarily.'' It goes to the very essence of what civilized conduct is in our age.

The committee hearing on Convention 105 was hugely informative. In particular, I believe that we helped expose some of the atrocious conditions in the prisons of China and the goods for export that prisoners are forced to produce. To this day I have a pair of socks, the product of the Chinese gulag, which Representative WOLF brought back for our hearing. I am proud that we were able to ratify Convention 105. It would not have been possible without the chairman of the Foreign Relations Committee, Senator HELMS.

I would also point out that a current provision of this bill relies on the standards set by the ILO. I speak of Section 611 which requires the Secretary of the Treasury to certify that goods originating in China were not made with forced labor. The definition of forced labor is not random. Section 611(e)(1) defines forced labor as ''all work or service which is exacted from any person under the menace of any penalty and for which that person has not offered himself voluntarily.'' The definition of forced labor in this bill is word-for-word that of ILO Convention 29. As it should be. A primary function of the ILO is to set such labor standards for the world.

That is the record. The ILO has accomplished much in its three-quarters of a century. I urge my colleagues to carefully consider these facts and to not prevent us from participating in this hugely important institution.

A final point I would like to raise is the simple fact that when the United States joined the ILO in 1934 we made a commitment to give an advance notice of two years before we withdrew from the organization. If we are to prohibit funding for the ILO as the current version of this bill does, we are essentially withdrawing from the ILO unannounced, and thus in violation of international law. Such rampant disregard for our legal commitments does not become this body, nor does it serve the interests of this country.

AMENDMENT NO. 2864

At the appropriate place, insert:

SECTION 1. FUNDS TO TRANSPORTATION OF ADMINSITRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION.

Section 1344(b)(6) of title 31, United States Code, is amended to read as follows:

''(6) the Director of the Central Intelligence Agency, the Director of the Federal Bureau of Investigation, and the Administrator of the Drug Enforcement Administration;''.

AMENDMENT NO. 2865

(Purpose: To Amend the State Department Basic Authorities Act)

Section 36(a)(1) of the State Department Authorities Act of 1956, as amended, (22 U.S.C. 2708), is amended to delete ''may pay a reward'' and insert in lieu thereof ''shall establish and publicize a program under which rewards may be paid''.

AMENDMENT NO. 2866

(Purpose: To make certain changes within the National Oceanic and Atmospheric Administration accounts)

On page 76, line 20 strike ''$55,500,000'' and insert in lieu thereof ''$62,000,000''

Mr. HOLLINGS. Mr. President, this amendment acknowledges that the transfer that the National Oceanic and Atmospheric Administration will receive from the Department of Agriculture for fiscal year 1996 for the Saltonstall-Kennedy Program will be $8,128,000 higher than originally estimated. The amendment would adjust the amount used as an offset by the Operations, Research, and Facilities Account within NOAA upward by $6,500,000 to equal $62,000,000. This increase would be reflected within the Operations accounts as follows: $2,202,000 for Marine Services, to ensure that repair and maintenance can be conducted to allow the existing fleet to operate, $558,000 to the Great Lakes Environmental Research Laboratory [GLERL] to freeze that account at current year levels, $911,000 to freeze GLERL zebra mussel research at current year levels, $550,000 to International Fisheries Commissions to be used for the Great Lakes Fisheries Commission to address sea lamprey problems in the Great Lakes and Lake Champlain, and $2,279,000 to Central Administrative Support leaving that account with a significant cut from current year levels. This amendment would leave $1,628,000 of the increased transfer in the Saltonstall-Kennedy Program for a total program level of $10,893,000 for fiscal year 1996. Because this amendment involves changing only the amount used to offset appropriations, it has no budgetary impact on the bill.

RESTORING GREAT LAKES PROGRAM FUNDS

Mr. LEVIN. Mr. President, I am pleased to be a cosponsor of the Hollings amendment that restores certain Great Lakes program funding to fiscal year 1995 levels. The Hollings amendment incorporates the major components of an amendment that I and several of my Great Lakes colleagues were prepared to offer. Though the amendment does not address all of the items in my original proposal, the remaining matters are addressed in a colloquy between me and Senator HOLLINGS.

The amendment adds money for two very important Great Lakes programs, $1.469 million for NOAA's Great Lakes Environmental Research Laboratory [GLERL] restoring it to fiscal year 1995 levels, and $450,000 for the Great Lakes Fishery Commission [GLFC] also restoring it to fiscal year 1995 levels. The distinguished Democratic manager of the bill and I have also discussed the very likely probability that the conferees will be able to recede to the House marks on the National Sea Grant program for zebra mussel and non-indigenous species research—$2.8 million—and for the International Joint Commission [IJC]—$3.160 million. And, the ranking member has indicated that he will not support conference report language that would transfer funding responsibility for the Great Lakes Fishery Commission from the State Department to the Fish and Wildlife Service.

This amendment does not provide special treatment for Michigan or the Great Lakes region. The amendment merely seeks to address the tremendous problems that face the Great Lakes and allow the implementation of international agreements and treaties. The majority of the restored funding is to be spent on aquatic nuisance species research and control. And, not all of that will be necessarily spent in the Great Lakes.

Non-indigenous species are entering the Great Lakes at a record rate. The sea lamprey entered in force when the Welland Canal was completed. The zebra mussel most likely arrived in the ballast water of a Russian tanker in about 1986. The list goes on to include the gobi, the river ruffe, the spiny water flea, et cetera. Other parts of the country have experienced similar alien species invasions, but the Great Lakes Basin is a particularly vulnerable ecosystem that does not adapt as well as saltwater to such intrusions.

Non-indigenous species have caused and continue to cause major economic havoc in the Great Lakes. Municipal water intake systems, industrial water users, tourism, anglers, recreational boaters, and other sectors of society have suffered tremendously. We need all the available scientific and techncial expertise components in the region working together to understand what needs to be done to manage our precious water and wildlife resources most effectively. Adding this money back to GLERL, and with the understanding that non-indigenous species research supported by Sea Grant will likely continue, restores those main

components. It also recognizes the valuable part they play in protecting and preserving the Great Lakes fisheries and the ecosystem.

Under the amendment, the Great Lakes Environmental Research Laboratory [GLERL] will receive $.558 million above the amount proposed in the House and the Senate committee's bill. This brings GLERL back to fiscal year 1995 levels simply for operations and basic research activities. Also, GLERL will have an additional $.911 million to continue more applied research on zebra mussels and other aquatic nuisance species research.

Among other tasks, the add-back will allow GLERL to continue its excellent work in trying to understand and address the aquatic weed problems in Lake St. Clair. GLERL will be able to continue working to implement its storm surge model, which is used by emergency planning personnel to predict and warn riparians of storm-related high water levels, across the Basin. And, retain highly-skilled and experienced personnel to accomplish this goal. Similarly GLERL's research on ecosystem impacts of the zebra mussel will continue, just when it has become apparent that massive blue-green algal blooms sprouting around the basine, particularly in Saginaw Bay and western Lake Erie, are probably a result of the changes to the ecosystem caused by the zebra mussel. These algal blooms are reminiscent of the mid-1960's when many declared Lake Erie dead due to eutrophication. They deplete oxygen in the bottom water, potentially leading to fish kills.

GLERL is a unique combination of scientific expertise in biogeochemical, ecological, hydrological, and physical limnological and oceanographic sciences that is not reproduced at any other Great Lakes institution. It is the only research laboratory with the staff and the equipment necessary to examine physical phenomena, such as currents, ice cover, and water levels, in concert with biogeochemical/ecosystem and water quality studies, in both freshwater and marine ecosystems.

As part of NOAA, GLERL helps the Federal Government meet its scientific, ecosystem-understanding, and management responsibilities under the Great Lakes Water Quality Agreement with Canada, especially under the Research Annex (17). GLERL works with and advises the International Joint Commission [IJC].

GLERL measures and models the role of contaminants in sediments. GLERL develops and improves hydrologic and water resources prediction models that assist the IJC and the Army Corps of Engineers in their lake-level regulation responsibilities.

GLERL has a 21 year history of important scientific contributions to the understanding and management of the Great Lakes Water Quality Agreement [GLWQA] between the United States and Canada. The Lab's work in the Great Lakes has been impeccable and highly useful. Here are some examples of sound scientific information provided by GLERL that has increased safety, protected property, and reduced or eliminated inefficient and costly regulations:

GLERL developed wind-wave models so the National Weather Service could make more accurate forecasts and warnings of weather conditions on the Lakes. This advance helps protect the lives of recreational boaters.

GLERL's scientific know-how transferred to the U.S. Coast Guard helped save the U.S. shipping fleet millions of dollars in lost cargo sweeping time and prevented the finalization of highly restrictive proposed regulations.

GLERL produced a predictive model of the storm surges and wave motion, or seiches, in the Great Lakes, so local emergency preparedness officials could have advanced warning of shoreline flooding. Now, in seiche conditions, shoreline property owners have time to protect their property and their lives.

GLERL's research on nutrients, especially phosphorous, helped convince USEPA that proposed requirements to further decrease phosphorous levels in treated municipal sewage discharges would be ineffective in lowering phosphorous amounts in the Lakes. This act saved taxpayers in excess of $10 billion.

GLERL developed the PATHFINDER model for oil/chemical spill trajectories, which is used by NOAA and the States for spill response and by the Coast Guard to help guide search and rescue operations.

Also, GLERL has been very active in other parts of the country:

Vermont and New York—Scientists from GLERL worked with academic scientists from the Lake Champlain basin to quantify the causes and effects of high speed bottom currents in the lake. The currents cause sediment resuspension, making toxic contaminants attached to sediment particles repeatedly available in lake water. This is important information for water quality restoration work. GLERL will complete this work in fiscal year 1995.

Carolinas—Last year, a GLERL oceanographer was part of a NOAA and academic scientific team studying the influence of circulation patterns on fishery recruitment off the coasts of the Carolinas.

South Florida—GLERL scientists are part of a multi-agency team conducting research and assessments of both the Everglades and Florida Bay, both of which are experiencing declining ecosystem health. GLERL's expertise on nutrients is being applied to the Bay, while GLERL's sediment core experience is being used to document historical factors affecting freshwater flows in the Everglades.

Louisiana and Texas—GLERL scientists have played a lead role in the nearly-completed 5-year NOAA study of the effects of the Mississippi-Atchafalya River system on the continental shelf waters off Louisiana and Texas. The near-bottom waters there become hypoxic or anoxic—little or no oxygen in the water—each year.

Wyoming—GLERL scientists are collaborating with academic scientists and the National Park Service on an ecological and geochemical study of Yellowstone Lake, the largest alpine lake in North America. The lake is under stress from increasing visitors and the introduction of non-indigenous species.

South Dakota—Lake Oahe is a large reservoir on the upper Missouri River in south central South Dakota. GLERL carried out a joint research project with the USGS to determine reservoir parameters using geochemical tracers.

Iowa, Kansas, and Georgia—GLERL is helping USGS to evaluate where and how much sediments contaminated with toxics, such as herbicides and pesticides, were moved and redeposited during the extensive flooding of the Midwest in 1993.

The amendment provides an additional $.450 million for the Great Lakes Fishery Commission [GLFC], which brings that line item up to the fiscal year 1995 level. The GLFC is a binational organization established by the Convention on Great Lakes Fisheries between Canada and the United States of 1955. The Commission has two major responsibilities; first, develop coordinated programs of research in the Great Lakes and, on the basis of findings, recommend measures which will permit the maximum sustained productivity of stocks of fish of common concern; second, formulate and implement a program to eradicate or minimize sea lamprey populations in the Great Lakes.

The amount proposed in the Senate committee's bill for the GLFC is insufficient because it does not recognize the need to match the increased Canadian contribution to the binational Commission. Last year, the Canadians offered to increase the amount they provide, assuming the United States would maintain its share of payments in the traditional 69:31 ratio. Canada has kept its promise and its payments are on time.

Last year, several Great Lakes colleague joined me in increasing GLFC's appropriations bill to bring the United States contribution up to $8.773 million, reflecting the Canadian increase. I understand that the State Department sought to include this amount in the budget request but was denied by the Office of Management and Budget. I would like to take this opportunity to remind my friends in the administration that the price of the TFM, the only effective lampricide, has continued to increase in price almost annually, while GLFC appropriations have remained level or fallen. Price increases by the world's sole TFM manufacturer, a foreign company, and inflation have steadily eaten into the real money available for stopping the lamprey. And the dollar's decline against

the German mark further has further eaten away at the Commission's reserves.

Despite GLFC's ever-increasing efficiency and effort, the sea lamprey population in the Great Lakes continues to grow, particularly in the St. Mary's River and Lake Huron, threatening the world's largest freshwater ecosystem and a multi-billion dollar commercial and recreational fishing industry. This parisitic fish's predation is checked only by the Commission's efforts.

The bulk of the Commission's funds go directly to pay for the lampricide, TFM, which is the only truly effective way to control sea lamprey populations at this time. There is ongoing research into non-chemical means, but the Commission has rarely received adequate funding for such research and inadequate funding in the past has depleted lampricide inventories.

The level of funding proposed in the committee's bill would have forced the Commission to scale-back its lamprey control and assessment efforts in the St. Marys River, where the populations are approaching those of the 1940's. Those levels caused the populations of lake trout and whitefish to collapse then. It would have slowed advances in developing and implementing the sterile-male release program. The Commission traps male sea lampreys, sterilizes them, and releases them back into Great Lakes tributaries. The proposed cut would have reduced the scope of the sea lamprey barrier program and slow research into innovative barrier designs. These barriers are the main non-chemical method to prevent lamprey spawning.

The Great Lakes' $2 to $4 billion sport and commercial fishery creates jobs and fulfils treaty obligations. The Commission's sea lamprey control program has led to the rehabilitation of lake trout in Lake Superior and has helped facilitate a strong revitalization of lake trout in Lake Ontario. Cutting the U.S. contribution below last year's level would jeopardize this success.

Mr. President, once again, I would like to thank the manager of the bill, the distinquished ranking member and the junior Senator from Michigan for their assistance in gaining approval of this amendment.

Mr. LEVIN. Mr. President, I would like to engage the distinguished manager of the bill in a brief colloquy regarding several matters that are important to the Great Lakes region and elsewhere.

As my colleagues from the Great Lakes know, there are several treaties and agreements between the U.S. and Canada, and between the U.S. and the Tribal nations, that require maintenance and adequate support from the Congress for implementation. Not the least of these are the Boundary Waters Treaty of 1909, the Convention on Great Lakes Fisheries of 1955, the Great Lakes Water Quality Agreement and numerous compacts with the Tribes. These agreements are designed to protect the quality and quantity of our nation's largest supply of fresh water and the abundant aquatic wildlife.

The committee's bill, as reported, would provide less than adequate support for the functions of the American section of the International Joint Commission [IJC], the binational body that implements the Boundary Waters Treaty and oversees the Great Lakes Water Quality Agreement. In fact, both the House mark and the Senate Committee's bill would provide less than the IJC received in fiscal year 1987. Adjusting for inflation, that is a dramatic and painful cut.

Would the ranking member be able to tell me whether or not he could help increase the IJC's fiscal year 1996 appropriation, at least to the House level, during conference?

Mr. HOLLINGS. Though I cannot guarantee the outcome of the conference, I will strongly urge the Senate conferees to recede to the House position on this point.

Mr. LEVIN. On a related matter of great importance to the Great Lakes, the Senate committee's bill appears to reduce the National Sea Grant appropriations for research into zebra mussels and non-indigenous species. The House bill provides $53.3 million for this program and directs that $2.8 million be spent on this research. The Senate committee's bill proposes $50.4 million and makes no mention of this research.

My colleagues from other regions may not yet be able to appreciate the necessity and benefits of this research into the life-cycle, ecology and control methods of non-indigenous species. Those who live in or have visited the Great Lakes region appreciate it. Zebra mussels, sea lamprey, river ruffe, gobi, spiny water flea, are just a few of the invading species that have caused ecological and economic havoc in the Great Lakes. They are changing the way we live and use our waters. They infest lake water system intakes and hurt the $4 billion Great Lakes fishery. We need to understand how they work and how to stop them from spreading. My friends from other regions should be particularly supportive of our efforts to keep these species out of their areas.

I would ask the distinguished Senator from South Carolina if he would be able to work in conference to get closer to the House mark for the National Sea Grant program and to specify some level of funds be used for zebra mussel and non-indigenous species research performed by National Sea Grant affiliated colleges and universities and NOAA laboratories?

Mr. HOLLINGS. As the Senator has indicated, the House mark for Sea Grant is somewhat higher than has been recommended in the committee's bill. The committee's report silence on non-indigenous species research should not be construed as a lack of support for this important research. I will certainly work in conference to provide adequate funds for the Sea Grant program.

Mr. LEVIN. The distinguished ranking member's assistance in both of these areas will be greatly appreciated. I would like to request his attention to and consideration of one last item.

The committee's report language recommends that responsibility for the fiscal year 1997 budget request for the Great Lakes Fishery Commission be transferred from the State Department to the Fish and Wildlife Service at the Interior Department. I strongly disagree with this suggestion and have opposed efforts to make this transfer in the past.

The Great Lakes Fishery Commission is an effective, neutral, binational forum for coordination of fish management and sea lamprey eradication in the Great Lakes. Transferring the latter responsibility to the Fish and Wildlife Service has been and will continue to be opposed by the Great Lakes States and Tribal governments. Such a transfer would interfere with the institutional structure and direct State and Tribal participation in the Commission's activities, and jeopardize existing delicate relationships among Great Lakes fishery agencies.

I strongly encourage the conferees not to pursue the transfer any further, because it will be met with strong resistance from the region, and I hope, from the administration.

Mr. HOLLINGS. The committee's report language is advisory only to the administration and does not have the force of law. Nonetheless, I will seek a clarification in the conference report that reflects the Senator's concerns.

Mr. LEVIN. I thank the Democratic manager of the bill for his consideration and cooperation.

AMENDMENT NO. 2867

On page 74, 18, after ''Fund'', strike the period and insert the following: '', and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products.''

AMENDMENT NO. 2868

(Purpose: To amend the bill with regard to the transfer of title to the Rutland City Industrial Complex)

At the appropriate place, insert the following new section:

SEC. . TRANSFER OF TITLE TO THE RUTLAND CITY INDUSTRIAL COMPLEX.

Notwithstanding any other provision of law (including any regulation and including the Public Works and Economic Development Act of 1965), the transfer of title to the Rutland City Industrial Complex to Hilinex, Vermont (as related to Economic Development Administration Project Number 01–11–01742) shall not require compensation to the Federal Government for the fair share of the Federal Government of that real property.

AMENDMENT NO. 2869

Notwithstanding any other provision in this Act, the amount for the East-West Center shall be $18,000,000.

On page 116 of the bill, on line 1, strike ''$1,000,000'' and insert $4,000,000''.

AMENDMENT NO. 2870

(Purpose: To restrict the use of funds under this Act for the National Fine Center)

At the appropriate place, insert the following, ''*Provided further*, That of the funds made available under this Act or any other Act, no funds shall be expended by the Director of the Administrative Office of the U.S. Courts to implement the National Fine Center prior to March 1, 1996, except for the funds necessary to maintain National Fine Center services at their current level, to complete the conversion of existing cases for the courts participating in the National Fine Center as of the date of enactment of this Act, and to complete the Linked Area Network pilot projects in progress as of the date of enactment of this Act.''

Mr. MCCAIN. Mr. President, this amendment, which is cosponsored by Senator DORGAN, would prohibit the Administrative Office of the United States Courts to spend additional money to develop the National Fine Center Project prior to March 1, 1996.

The amendment includes three exceptions. The Administrative Office would be permitted to maintain National Fine Center services at their current level, to complete its work on cases for courts currently participating in the project and to proceed with the pilot projects in several judicial districts.

A freeze in funding will give Congress time to address serious questions and problems relating to the status and direction of the project which were highlighted in a July 19, 1995 Governmental Affairs oversight hearing.

Congress tasked the Administrative Office 8 years ago to develop an integrated database to better track and collect Federal criminal debt. As of 2 months ago, the office had spent nearly $10 million on the effort, including over $5 million on an aborted pilot project in Raleigh, NC. today, the prospects of achieving a workable, cost-efficient Fine Center that meets the needs of the Department of Justice and the goals articulated by Congress remain very much in question.

The Department of Justice, the primary customer of the Fine Center, is very concerned about the project, and does not believe that the current system provides the integration needed by the Department to improve debt collection—one of the system's primary goals. In fact, Department of Justice officials believe that if the AO stays its current course, the Department will be required to develop an additional system to access information stored in the Fine Center's database. This is, of course, absurd.

I am particularly troubled that according to the GAO, the Administrative Office has very little documentation to justify its development decisions to date and no detailed plan for completing the project. Moreover, the AO cannot say with any certainty what the final price tag for the project will be.

While I am sure the intentions of the Administrative Office are honorable, the project has a troubled history and confidence that we are on a cost-effective track is not what it should be.

It is important to note that the money being used by Administrative Office for the project comes from the crime victim fund. This account is normally used to finance vital victim assistance programs. We cannot continue to dedicate valuable resources from this account without absolute assurance that the public, and crime victims are receiving value for their investment.

Freezing the funds will allow Congress the time to take appropriate steps to ensure that this project is on track. In fact, I hope to introduce, with Senator DORGAN, very soon legislation which will help us to achieve that end.

AMENDMENT NO. 2871

(Purpose: To express the sense of the Senate regarding compliance of the Russian Federation with the Treaty on Conventional Armed Forces in Europe)

On page 121, after line 24, add the following:

SEC. . It is the Sense of the Senate that the President of the United States should insist on the full compliance of the Russian Federation with the terms of the Treaty on Conventional Armed Forces in Europe and seek the advice and consent of the Senate for any treaty modifications.

THE CFE TREATY

Mr. MCCAIN. President Clinton and our NATO allies have agreed to a major compromise on the CFE treaty in an effort to lay the ground work for the planned October Summit between President Clinton and President Yeltsin. The amendment I am offering today is attempt to put the Administration on notice that the Senate will take a careful look at the agreement recently reached before it is finalized in October.

In November of 1990, Russia agreed to significant limitations on numbers and deployment of its heavy weaponry—battle tanks, artillery, armored combat vehicles, attack helicopters and combat aircraft. There is unanimous agreement that Russia is not currently in compliance with the treaty and, at its current pace, it is not likely to meet the deadline for full compliance.

The treaty changes proposed by NATO—under pressure from the Administration—involve the number of weapons allowable in what is known the flank zone. A compromise has been reached that expands the flank zones to allow an amount of equipment halfway between the treaty requirements and the amount currently in the zone. The treaty sets limits of 1,300 tanks, 1,380 armored combat vehicles, and 1,680 heavy artillery pieces. There are currently 3,000 tanks, 5,500 armored combat vehicles and 3,000 heavy artillery pieces in the flank zone.

The limits in the flank zone are important because it involves Russia's Southwest and Northwest border. It has implications for the situation in Chechnya, Russia's involvement in what it terms its ''near abroad'' in the Caucuses and the Baltics, and our allies in Turkey.

As with many issues, what causes me the most concern isn't that a compromise on treaty compliance has been reached. If the compromise is consistent with the treaty, I am pleased we were able to avoid a rift with Russia. What concerns me the most is the twist and turns that the Administration has taken to get to this point. The changes in the policy makes one skeptical that treaty compliance is really the administration's aim. Too often in the Administration's Russia policy the aim has been to avoid and paper over disputes. This was the case early on with NATO expansion. It was the case with Chechnya. It is the case with the Russia-Iran nuclear deal.

President Clinton indicated at the Moscow summit in May that ''modifications are in order'' to the CFE treaty and that he would support modifications at the CFE review conference next year. The President later attempted to clarify the issue by stressing that he would press for Russian compliance with the agreement by the November 1995 deadline. Now that the President has reconsidered his earlier statements and determined that changes are in order to assist the Russians in meeting this year's November 17th deadline, I think it is important that the Senate be heard on the issue prior to the President's meeting next month with President Yeltsin.

The CFE treaty will hopefully become a central element of stability in Europe. It is important that its integrity be preserved and that no party be able to subvert its purposes. I encourage the administration to keep the Senate fully apprised of its attempts to negotiate changes.

AMENDMENT NO. 2872

(Purpose: To provide for a land transfer in Tuscaloosa, Alabama)

At the appropriate place, insert the following:

SEC. . LAND TRANSFER.

(a) IN GENERAL.—The Secretary of Commerce, acting through the Assistant Secretary for Economic Development of the Department of Commerce, shall—

(1) not later than January 1, 1996, commence the demolition of the structures on, and the cleanup and environmental remediation on, the parcel of land described in subsection (b):

(2) not later than March 31, 1996, complete the demolition, cleanup, and environmental remediation under paragraph (1); and

(3) not later than April 1, 1996, convey the parcel of land described in subsection (b), in accordance with the requirements of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), to the Tuscaloosa County Industrial Development Authority, on receipt of payment of the fair market value for the parcel by the Authority, as agreed on by the Secretary and the Authority.

(b) LAND PARCEL.—The parcel of land referred to in subsection (a) is the parcel of land consisting of approximately 41 acres in Holt, Alabama (in Tuscaloosa County), that is generally known as the ''Central Foundry

Property'', as depicted on a map, and as described in a legal description, that the Secretary, acting through the Assistant Secretary for Economic Development, determines to be satisfactory.

AMENDMENT NO. 2873

(Purpose: To provide funds for maritime security services)

On page 113, line 24, strike ''$330,191,000,'' and insert ''$284,191,000,''.

On page 114, line 3, after ''exceed'' insert ''$29,000,000 may be used for necessary expenses of Radio Free Europe/Radio Liberty, of which not more than''.

On page 99, line 26, strike $250,000,000 and insert $225,000,000.

On page 116, between lines 12 and 13, insert the following:

MARTITIME SECURITY

For necessary expenses for maritime security services authorized by law, $46,000,000, to remain available until expended.

On page 117, line 5, strike ''academies:'' and insert ''academies and may be transferred to the Secretary of the Interior for use in the National Maritime Heritage Grant Program:''.

On page 117, strike lines 12 through 24 and insert the following:

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $25,000,000, to remain available until expended: *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, as amended: *Provided further,* That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $500,000,000.

Mr. LOTT. Mr. President, I rise to support this amendment which is critical to our efforts to reform U.S. maritime policy, maintain a U.S.-flag fleet and merchant marine and serve our national security interests.

Maritime reform is vital to our national and economic security. From our beginning history, America has been a maritime nation reliant on secure ocean passage and transport for commerce and military strength.

From the sea battles of the American Revolution through the Persian Gulf, our seafarers and merchant marine courageously supplied and sustained our troops in combat and conflict.

The U.S.-flag fleet and merchant marine carried our troops and cargo through World War I, II, Korea, Vietnam, and the Persian Gulf.

In World War II, more than 6,000 merchant mariners were killed and thousands more were wounded. After World War II, the Supreme Allied Commander, Dwight D. Eisenhower, declared:

The officers and men of the merchant marine by their devotion to duty in the face of enemy action, as well as the material dangers of the sea, have brought to us the tools to finish the job. Their contribution to final victory will long be remembered.

Following the Persian Gulf, Chairman of the Joint Chiefs of Staff, Colin Powell, stated:

Since I became Chairman of the Joint Chiefs of Staff, I have come to appreciate first-hand why our merchant marine has long been called the Nation's fourth arm of defense. The American seafarer provides an essential service to the well-being of the Nation, as was demonstrated so clearly during Operations Desert Shield and Desert Storm.

In relation to our Nation's economic security, Rear Adm. (ret.) Tom Patterson recently wrote in the Journal of Commerce:

Throughout history, the Nation that ruled the seas controlled the world's economy. In their time, Egypt, Greece, Phoenicia, Carthage, and Rome, then Spain, Portugal, and Great Britain, came and went as the leading naval and commercial powers. When they lost their maritime dominance, they quickly became second-rate in terms of economic success and political influence.

The United States is in grave danger of going down that same road if it has not done so already. Our perceived economic decline in recent years has been accompanied by an almost suicidal approach to our maritime policy—and specifically to the future of merchant shipping under the American flag . . .

Over the last 20 years, Congress has failed to pass an effective maritime policy. As a result, we have seen a dangerous decline of the U.S.-flag fleet, merchant marine, and shipbuilding.

Now, we face a situation where if we fail to act in this Congress, our national security and international competitiveness will be seriously and irreversibly harmed.

We could easily lose our U.S. flag fleet and with it our merchant marine.

If that occurs, only military readiness and our sealift capacity will be dealt a blow.

Numerous jobs would be lost related to the maritime industry and our balance of payments and international competitiveness will suffer.

In times of international crisis or war, our historical and successful reliance on the U.S. flag fleet and merchant marine would come to an end.

Personally, I do not want to be a part of that. This Congress has a sobering opportunity to do something about it.

Secretary Pena, on behalf of the administration, along with General Rutherford and Admiral Herberger strongly support the funding for the Maritime Security Program.

The House National Security Committee and the Senate Commerce Committee have reported out the reform legislation that serves as the basis for the proposed funding contained in this amendment.

I would like to state as simply as possible the objective of this amendment.

It is to maintain and promote a U.S. flag fleet, built in U.S. shipyards and manned by U.S. crews in the most cost effective and flexible manner possible.

When I go home to Pascagoula, I want to see the greatest amount possible of Mississippi agricultural products—rice, cotton, soybeans, catfish, chicken and forest products and other exports moving on U.S. flagged ships build in America.

In times of national emergency or war, I want to know that we will continue the finest tradition of the U.S. flag fleet and merchant marine—secure in the knowledge that our sealift capability is assured and confident that our troops will be supplied.

The maritime reform legislation and proposed funding will help achieve these objectives by establishing a new maritime security program. The bill terminates the previous program, reducing costs by 50%. In its place, a more efficient and flexible program will continue the successful private commercial partnership with the Departments of Transportation and Defense.

A partnership which will help promote and preserve a modern U.S. flag fleet and merchant marine and one that will serve our national security in time of war or emergency.

To promote our Nation's underlying shipbuilding infrastructure and capacity, this amendment funds and reforms the Title XI Loan Guarantee Program. A program which effectively stimulates U.S. shipbuilding, competitiveness and jobs.

Again, this amendment is vital to our national and economic security. I urge my colleagues to join in supporting this amendment and our effort to reform our maritime policy.

Ms. MIKULSKI. Mr. President, I rise today to support the amendment to fund two strategically and economically important maritime programs; the title XI loan guarantee program and the new maritime security fleet.

The title XI program provides loan guarantees for vessels built in American shipyards and for the modernization of those same yards. The maritime security program provides payments to participating vessel operators in exchange for their promising the availability of militarily useful U.S.-flag vessels and trained, loyal American crews.

I believe a viable, active, private-sector U.S. maritime industry is in our national interest. We need a U.S. merchant fleet and U.S. shipyards for military purposes in times of national emergency.

We need a U.S. merchant fleet to preserve our historic presence as a global economic power moving goods on the high seas. We need American men and women to build and run those ships. This amendment is the most cost-effective way to make sure that our merchant marine is there when we need it.

Throughout our Nation's history, it has always made strategic sense to have a strong maritime industry. Policymakers who have come before us have had the sense to realize that we need U.S.-flag ships with American crews to supply our armed forces overseas.

Let me make the significance of this vote perfectly clear: in the absence of a U.S. merchant marine, the Defense Department will have no other option but to subcontract foreign ships and seamen for practically all its sealift needs.

A number of times during the Gulf war foreign-flag ships refused to sail into the war zone. That never happened with a U.S.-flag ship. Our civilian merchant mariners have always been there for us in times of national crisis. They have been true patriots—reliable, consistent, and faithful. Without Americans manning those supply ships, we can't guarantee that the U.S. military will be able to do its job.

I believe in public/private cooperation to encourage government savings. This maritime package does just that. It provides a rainy-day maritime infrastructure for U.S. defense needs while, at the same time, stimulating private sector enterprise. The sealift capability that a U.S. merchant marine provides the Defense Department costs a fraction of what it would cost if they did it ''in house''.

It also guarantees that loyal American merchant mariners will be available to serve when needed. They won't be there if we betray the U.S. maritime industry.

This amendment is smart, it's strategic, and it makes sense. Our merchant mariners and shipyard laborers when called to serve, never gave up the ship. I hope the U.S. Senate doesn't give up the ship today. Let's stand by these heroes in dungarees and adopt the pending amendment.

Mr. STEVENS. Mr. President, I am pleased to support this amendment, and to join Senators LOTT, INOUYE, BREAUX, and others as a cosponsor, to fund the maritime security program [MSP].

The MSP will replace the existing operating differential subsidy [ODS] program over the next 3 years, and will ensure the continuation of a viable U.S.-flag fleet in our trade with foreign countries.

Statistics show an alarming decline in the size of our domestic commercial fleet, and this amendment will ensure that U.S. defense and economic security needs continue to be met.

The amendment provides $46 million for operating subsidies under the MSP in fiscal year 1996.

When the MSP fully replaces the ODS in 1998, it will cost $100 million per year through the year 2005, providing subsidies to roughly 50 ships at around $2 million per ship.

This annual cost is 50 percent lower than the cost of the existing ODS subsidy program, on which we spent $214 million in fiscal year 1995 alone.

We feel this leaner program is sufficient to sustain a viable U.S.-flag fleet as it competes against carriers from countries with lower labor standards and heavy subsidies.

The amendment also provides $25 million for title XI loan guarantees to build new U.S. vessels.

U.S. shipyards, even more than U.S. carriers, compete against shipyards in other countries that receive subsidies as large as any industry in the world receives.

The $25 million provided in this amendment will allow the Maritime Administration to guarantee loans totaling $250 million in fiscal year 1996.

The Secretary of Transportation has informed the Appropriations Committee that loan guarantee applications totaling $2.8 billion are currently pending before the Maritime Administration.

There is no question that the demand for loan guarantees will meet the supply we provide.

The Secretary additionally tells us that world shipbuilding demand will exceed $350 billion in the next 10 years.

This loan guarantee money will ensure that U.S. shipyards can meet some of that demand for new ships.

The amendment provides $71 million total by reducing the amount provided for Radio Free Europe by $71 million.

While the decision to make this reduction has been difficult, I believe this amendment provides funding that is critical to the United States and U.S.-flag commercial fleet.

In addition to the carrier and shipbuilding provisions, the amendment would also add important bill language to allow proceeds from the sales of National Reserve Defense Fleet vessels to be transferred to the Secretary of the Interior to use for the National maritime Heritage Grants program.

This program was created as part of the National Maritime Heritage Act, passed into law last November. That act authorizes the change we are making now to the appropriations bill.

This grants program will allow entities such as the Fairbanks Historical Preservation Foundation in Fairbanks, AK restore vessels that are important relics of our maritime heritage.

The Fairbanks Historical Preservation Foundation has just begun to restore the NENANA, an important riverboat in Alaska's history, and would be eligible to apply for grants under this program.

I urge my colleagues to vote for this amendment.

AMENDMENT NO. 2874

(Purpose: To express the sense of Congress urging the President to provide for unified command and control of Department of Defense counterdrug activities)

On page 110, between lines 2 and 3, insert the following:

SEC. ___. It is the sense of Congress that, in order to facilitate enhanced command and control of Department of Defense counterdrug activities in the Western Hemisphere, the President should designate the commander of one unified combatant command established under chapter 6 of title 10, United States Code, to perform the mission of carrying out all counter-drug operations of the Department of Defense in the areas of the Western Hemisphere that are south of the southern border of the United States, including Mexico, and the areas off the coasts of Central America and South America that are within 300 miles of such coasts. But not to include the Carribean Sea.

Mr. COVERDELL. Mr. President, more Americans die each year from the use of cocaine, heroin, and other illicit drugs than from international terrorism.

One hundred percent of the world's cocaine comes from South America. Realizing this, one can conceptualize possible centers of gravity where we can reach out and disrupt the drug cartel's operations. It is imperative that we take the fight to the drug cartels.

We can target the illicit drug industry itself; drug transshipment areas, airfields, navigational equipment, drug labs, and drug cache sites.

As the Honorable William Perry, Secretary of Defense has been quoted as saying, ''Narco-traffickers don't think in terms of borders. Indeed, they take advantage of this mind set. They violate sovereignty. So the only way to deal with the narco-trafficking problem is to treat it as a regional problem . . .''

With this concept in mind, I am concerned that there is a great deal of stratification and duplication of effort within U.S. governmental agencies. On Capitol Hill alone, there are over 74 congressional drug oversight and review committees. To stem the tide of illicit drug trafficking, sale, and use, we must maximize our potential and our limited resources.

As chairman of the Subcommittee on the Western Hemisphere, I feel that a logical place to begin consolidating command and control, to better curb the flow of illicit drugs from the southern portion of the Western Hemisphere, is within the department of Defense.

The Department of Defense provides support to law enforcement agencies and host nations in creating and strengthening their institutions to defeat the narcotics threat. Currently, each command provides: intelligence support, detection and monitoring (D&M), interdiction, training support, planning assistance, logistics support, and communications support within their respective theaters. It is my intent to consolidate these efforts under one unified command that will handle counternarcotics operations.

This sense of the Congress is designed to put the executive branch on notice that it is time to streamline counternarcotic activities and become more effective interdicting drugs at their point of origin in South America. It is time for tighter command and control regarding counternarcotics operations in the region of the world that is the sole producer of cocaine.

AMENDMENT NO. 2875

(Purpose: To provide for Agricultural Weather Service Centers)

On page 76, line 25, insert before the period the following: '': *Provided further*, That the National Weather Service shall expend not more than $700,000 to operate and maintain Agricultural Weather Service Centers''.

Mr. COCHRAN. Mr. President, This amendment provides funding for the Agricultural Weather Service Centers at Stoneville, MI and Auburn, AL and requires the National Weather Service to continue the operation of these important weather centers.

This bill calls for the privatization of elements of the National Weather Service [NWS], including services for agriculture and forestry. These weather service centers provide several important services to America's farmers. Millions of dollars and hundreds of family farms are at risk without proper weather information.

Many important products and services would be terminated if these centers are closed. Special freeze forecasts, special advisories for extreme weather events, and agricultural weather guidance would all be eliminated. All agricultural climatology services to State and Federal agencies would cease as would all liaison activities with the land grant universities and other agencies. Cooperative research with scientists at all universities would end.

Some argue that farmers can obtain the weather services they require from

the private sector from the many commercial weather services that operate around the Nation.

However, none of the commercial weather services provide the kind of agricultural weather information available from these agricultural weather service centers. Additionally, there are only a very small number of companies that could potentially provide some agricultural services.

Commercial operators are generally unwilling to make an investment in developing the kinds of unique products used by agriculture because the market is too small. In areas of concentrated agriculture, such as in California or Florida, the market might be sufficient for the private sector. Markets like Mississippi are too small to support private meteorological services.

Some argue that these services should be done by private sector meteorologists and that the National Weather Service constitutes corporate welfare. Let me bring to the attention of my colleagues that the bulk of agriculture and forestry consists of small family operations, not giant corporations. Large farms already hire private meteorologists and will not be affected by office closings. This is going to affect the small- and medium-sized farmers who do not have the money to get expert help and could not afford to contract for weather information.

Some may argue that this is an unnecessary service that should no longer be funded by taxpayers, that in a time of smaller budgets, we can no longer afford the $2.1 million to operate the National Weather Service agricultural weather program.

However, according to a 1992 study by the National Institute of Standards and Technology, the modernization of the National Weather Service will reduce agricultural losses by $15 billion and increase agricultural output by $117.9 million annually.

This is clearly one of the best bargains in government.

The Stoneville Center is a world renown research center with major activities in cotton, soybeans, rice, catfish, and hardwood forestry. At the Stoneville, MI center, more than 200 farmers have been working with the Stoneville Agricultural Weather Service Center to develop a credible agricultural weather forecast system. This center has the potential of producing data that could save millions of dollars in reduced input costs such as pesticide applications, fertilizer, and harvest potential.

There is clearly a role for the Federal Government in providing these specialized agricultural services. The production of food and fiber is the most critical component of our economy. With so few Americans now directly producing our food and fiber, it is imperative that we maintain the most efficient production possible. The NWS agricultural and forestry weather program contributes to this efficiency at the lowest possible cost.

The roles of the NWS and the private sector are clear. The role of operating and maintaining the agricultural weather data networks is best done by NWS. The same goes for the operations of agricultural weather forecast models. Research and development activities which utilize the observational and forecast data is another primary NWS function. The end result is a great wealth of information. It is the packaging and delivery of this information which can be best done by the private sector. The NWS does not have the resources to produce customized information for each user. This is clearly an important job for the private sector. The NWS and the private sector can work together and share in the provision of weather information to agriculture.

There is a right way and a wrong way to privatize these services. This bill represents the wrong way. These services should not be abruptly ended without careful planning and judicious management of the privatization process.

I urge my colleagues to support my amendment.

Mr. HEFLIN. Mr. President, I rise today in support of the Cochran amendment which would restore funding for the Agricultural Weather Service Centers at Stoneville, MS, and Auburn, AL. The amendment would require the National Weather Service to continue the operation of these important weather centers.

Mr. President, the business of American farmers, ranchers, and foresters is to produce and market the world's safest supply of food and fiber. To do so, they must cope with all of the vagaries of nature. Unlike the vast majority of people in this Nation who cope with everyday weather in the context of a golf game or a picnic, weather is the single most important external element in the production equation. To our Nation's farmers, ranchers, and foresters specific weather information is crucial to the protection of crops, the application of management practices, the timely selection and use of pesticides, the decision to apply expensive freeze protection measures, et cetera.

In my opinion, there is no other organization, business, or institution which is capable of gathering and analyzing data either on the scale or to the degree of reliability which farmers, ranchers, and foresters routinely receive from the National Weather Service. The refinement of the data for their specific needs requires specific analysis and employs special knowledge provided by land grant colleges, the Cooperative Extension Service, and other State and Federal specialists.

I am aware that there are a number of private weather services offered and that some highly specialized and concentrated segments of agriculture employ them. However, I am informed that these rely totally on the data provided by the National Weather Service as the basis for their specialized services. Regardless, farmers are incapable at the present time to assume the functions of government privately even if they could afford the services.

Therefore, I strongly support Senator COCHRAN's attempt to restore funding for the Agricultural Weather Service Centers at Stoneville, MS, and at Auburn, AL. I urge my colleagues to support the Cochran amendment.

AMENDMENT NO. 2876

(Purpose: To restore funding for trade adjustment assistance centers)

On page 68, line 19, insert '', $7,500,000 of which shall be for trade adjustment assistance'' after ''$89,000,000''.

Mr. JEFFORDS. Mr. President, I am pleased to join with my colleagues, Senators LEVIN, from Michigan; D'AMATO, New York; Mrs. HUTCHISON, Texas; MOYNIHAN, LEAHY, GLENN, PELL, MURRAY, and ROCKEFELLER to offer an amendment to restore funding for Trade Adjustment Assistance Centers, or TAACs as they are called. Our amendment provides that of the $100 million included in the existing bill for the Economic Development Administration, $10 million will be used to fund the 12 regional TAACs at their fiscal year 1995 level.

Trade adjustment assistance is authorized by the Trade Act of 1974 to help manufacturers who have lost sales and jobs to imports. Once certified as having been hurt by imports, firms receive cost-shared technical assistance to improve their competitive position.

Mr. President, TAACs work. Looking at TAAC clients a clear pattern emerges. In the two years prior to going to a TAAC, a manufacturing firm has seen declining sales and reduced jobs. After receiving TAAC assistance sales go up and employment increases.

In a study of TAAC clients from fiscal year 1990–1994, prior to seeking assistance, TAAC clients lost over 10,000 jobs and $630 million in sales. After receiving TAAC assistance, not only had the drop in employment and sales been stemmed, it had been reversed. Fifty-five hundred jobs were added in addition to the 55,000 jobs that were saved, and client sales increased by $1.1 billion. Most importantly, productivity, as measured by sales per employee, was increased significantly from $82,000 to $94,000.

Productive firms stay open for business; they continue to employ and hire new people. Mr. President, trade adjustment assistance is a good program. For every dollar spent by the federal government there is an 800 percent return in terms of Government revenue.

As I mentioned, there are twelve regional TAACs—Boston, Trenton, Seattle, Boulder, Chicago, Atlanta, Ann Arbor, Binghamton, San Antonio, Los Angeles, Columbia (MO), and Blue Bell, PA. Each of these centers have helped manufacturing firms in every State who have been hurt by imports get back on their feet and remain viable.

TAACs save private sector jobs, and, as we all know, the best social program

is a good paying job, and manufacturing jobs are good paying jobs.

In my home State of Vermont, the TAAC which serves my region, the New England Trade Adjustment Assistance Center (NETAAC) is currently providing or reviewing certification petitions from seven manufacturing firms who combined employ close to 500 people. In a small State like Vermont that is a lot of jobs.

The assistance is cost shared by the client and TAAC contribution can be as little as $25,000. The average NETAAC investment is $684 per job. That is an excellent return on federal investment.

Mr. President, our amendment simply directs that of the $100 million already in the bill for the Economic Development Administration, $10 million be used for TAACs. We have funded this program in the past and the other body has included funding in its fiscal year 1996 Commerce appropriations bill. I should also note that the Ways and Means Committee recently voted to extend authorization for trade adjustment assistance for 2 more years.

TAACs help manufacturing firms that have been hurt by imports. TAAC assistance saves jobs and increases sales. For every dollar we spend on this program, we get eight dollars back. Funding TAACs is a sound investment, and I urge my colleagues to support this amendment.

Mr. MOYNIHAN. Mr. President, I rise to join the Senator from Vermont in his effort to restore funding for the program providing Trade Adjustment Assistance for companies affected by imports.

This has been an enormously effective program for more than 30 years. Under the firm TAA program, we have established a national network of centers that provide technical assistance to trade-impacted companies. These centers, several located in universities, have a remarkable record in improving companies' manufacturing, marketing, and other capabilities in the face of stiffened competition from foreign imports.

This program is a complement to the Trade Adjustment Assistance program for workers, which provides direct benefits to individuals who lose their jobs because of imports. Both are part of an effort to fulfill a commitment we have made to American workers as we pursue our national trade policy. The notion of Trade Adjustment Assistance was first articulated in 1954 by David MacDonald, President of the United Steel Workers, and the program was later enacted in the Trade Expiration Act of 1962. In 1993, when I last spoke on this floor in support of this program, I cited Luther Hodges' statement to the Senate Finance Committee in 1962 during consideration of that landmark legislation. I find it fitting to bring that statement here again:

> Both workers and firms may encounter special difficulties when they feel the adverse effects of import competition. This is import competition caused directly by the Federal Government when it lowers tariffs as part of a trade agreement undertaken for the long-term economic good of the country as a whole. The Federal Government has a special responsibility in this case. When the Government has contributed to economic injuries, it should also contribute to economic adjustments required to repair them.

Our trade policy, which began with Cordell Hull's Reciprocal Trade Agreements Program in 1934 and culminated with the passage last December of the Uruguay Round Trade Agreements Act, results in some winners and some losers. Losers, simply because some American industries have difficulty competing against companies with the advantages afforded to them in other countries. However our winners are plentiful, and expectations are that implementation of the Uruguay Round agreements alone will pump an additional $100 million to $200 million into the American economy. We dare not abandon the policy. We simply must assume responsibility for those whom it may harm.

The Trade Agreement Assistance for Firms program has been enormously effective in assuming that responsibility. In just the past five years, the twelve regional TAA centers have collectively helped 488 companies. Most of those firms were in danger of going out of business prior to the TAA center's assistance, and all were experiencing serious difficulty meeting payroll obligations. In the two years prior to receiving assistance, these 488 manufacturing companies had laid off 10,447 employees. In the two years after TAA help arrived, however, those same companies had hired an additional 5,475 workers. Their sales rose 24.5%, productivity increased 13%, and, as a result, tax revenues are up. Program organizers estimate that more than $7 in federal and state income tax revenue is generated for every $1 spent on the program.

The TAA center at the State University of New York in Binghamton has played no small role in that success, assisting 49 manufacturing companies in my State over those same five years. While those firms experienced a combined drop in sales of $27 million in the two years preceding TAA assistance, they now can boast increases of over $51 million in sales in the subsequent years. These accomplishments preserved employment for many New Yorkers plus generating jobs for 167 more.

I have received numerous letters from these companies, each detailing for me how timely and critical was the TAA center's assistance, and I would like to share with my colleagues some of their compelling stories:

Beldoch Industries Corporation, located in Manhattan, has manufactured ladies' knitwear for over 50 years under three generations of family management. When the company had trouble competing with inexpensive textile imports, Gene Hochfelder, Beldoch's Chairman, sought the help of New York's TAA center. The center's consultants identified strategies under which Beldoch could consolidate operations, provide more prompt service to customers, and successfully compete with foreign imports. Beldoch, with its 260 employees, has kept its manufacturing in the U.S. and is experiencing great success.

The Beach-Russ Company, located in Brooklyn, New York, manufactures vacuum pumps, air compressors, and gas boosters. Charles Beach, President of Beach-Russ, writes ''The New York Trade Adjustment Assistance Center facilitated the obtaining of assistance in the development of a New Vacuum Pump to make our company more competitive with low-cost foreign manufacturers.''

Michael Hrycelak, Vice President of AJL Manufacturing Inc. in Rochester, writes of how the New York TAA center helped them devise a new marketing plan. He adds, ''We strongly support this program, a true example of a government agency adding long term value, with minimal short term cost.''

And there are many works in progress as well. Helmel Engineering Products, Inc. is a small machine tool manufacturing company in Niagara Falls with only 26 employees. In the face of stiff competition from overseas, the company has recently completed a two-year diagnostic survey and adjustment project directed by the New York TAA Center. The Center's assistance allowed them to update and improve the marketing of their software, a task which otherwise would have taken closer to five years and may have been altogether unmanageable for the small company. But now, believing that they manufacture the best software their industry can offer, Helmel is optimistic about their new future. Judging by the success of their fellow graduates of the New York TAA program, I think their optimism is well-founded indeed.

Mr. President, this is clearly government money well spent. These are quality companies with capable managers and dedicated workers. The TAA program's modest investment has been sufficient for them to recover from damage done by imports and remain active contributors to our national economy.

Seventy-six of my colleagues in this body, many of whom are still here today, supported our effort to liberalize trade last December. It was good policy. The country is better for it, and we should not regret our decision. But we must also assume responsibility for its consequences. I urge the Senate restore funding for this important and very worthy program.

AMENDMENT NO. 2877

(Purpose: To express the sense of the Congress regarding funding for the Economic Development Administration)

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE CONGRESS ON ECONOMIC DEVELOPMENT ADMINISTRATION.

(a) FINDINGS.—The Congress finds that—

(1) assistance from the Economic Development Administration (hereafter in this section referred to as the ''EDA'') within the Department of Commerce is an investment in the economic vitality of the United States;

(2) funding for the EDA within the Department of Commerce is reduced by almost 80 percent in this Act;

(3) the EDA serves a unique governmental function by providing grants, which are matched by local funds, to distressed urban and rural areas that would not otherwise receive funding;

(4) every EDA $1 invested generates $3 in outside investments, and during the past 30 years preceding the date of enactment of this Act, the EDA has invested more than $15,600,000,000 in depressed communities, creating 2,800,000 jobs in the United States;

(5) the EDA is one of a very few governmental agencies that assists communities impacted by military base closings and defense downsizing;

(6) the EDA has—

(A) become a more efficient and effective agency by reducing regulations by 60 percent;

(B) trimmed the period for application processing down to a 60-day period; and

(C) reduced its operating expenses; and

(7) the House of Representatives, on July 26, 1995, voiced strong bipartisan support for the EDA by a vote of 315 to 110.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the appropriation for the EDA for fiscal year 1996 should be at the House of Representatives-passed level of $348,500,000.

EDA SENSE-OF-THE-CONGRESS AMENDMENT

Mr. PRYOR. Mr. President, today I have offered a sense-of-the-Congress resolution on behalf of myself and Senator SNOWE and a bipartisan group of 18 cosponsors. I am happy that the managers of the bill have accepted the amendment. Our amendment puts the Senate on record in support of fiscal year 1996, House-passed appropriation level for the Economic Development Administration [EDA].

The House level of $348.5 million dollars is a 25-percent cut from the requested level, but a significant increase from the $100 million passed by the Senate Appropriations Committee. The $100 million is a 79 percent reduction that would devastate the EDA.

Mr. President, I do want to applaud Chairman HATFIELD for providing the $100 million in his committee, which was an improvement on the zero funding proposed initially.

Before I describe the critical role of EDA and the streamlining that has occurred at EDA, I want to explain the spending dynamic in our amendment. Simply put, the House allocated more funds to the Commerce, State, Justice bill. This permits a higher EDA funding level without cutting other programs within the bill.

Mr. President, the Economic Development Administration has been crucial to rebuilding distressed rural and urban communities in each of our States. Not by providing Government handouts, but by helping communities become economically self-sufficient. EDA's goal is to invest limited Federal dollars so that communities can attract new industry, spur private investment, and encourage business expansion.

EDA gets more bang for the buck by creating partnerships with local, county, and State governments and economic development entities. These partnerships help to provide planning, financial, technical, and specialized assistance to help develop infrastructure and create jobs in these distressed areas.

In fact, for every EDA dollar invested, more than $3 in outside investment has been generated. In the last 30 years, EDA has invested over $15 billion in local communities in need of financial assistance. This investment has resulted in the creation or the retention of more than 2.8 million American jobs.

One of EDA's key functions is to help communities recover from natural disasters. EDA played a pivotal role in the State of Florida after Hurricane Andrew, in South Carolina and North Carolina after Hurricane Hugo, and in Nebraska, Kansas, Missouri, Illinois, Iowa, Minnesota, North Dakota, South Dakota, and Wisconsin after the Midwest flooding of 1992. After the emergency management people leave, EDA is the only governmental agency that remains to help devastated communities rebuild.

Perhaps the largest and best-known mission of EDA is in the field of defense conversion. EDA is life support for base closure towns searching for new direction and new life after the cold war.

In 1988, 1991, and 1993 we closed 250 military bases across America. Just months ago, the 1995 Base Closure Commission recommended the closing or the realignment of another 130 bases. Communities surrounding these bases and defense factories being downsized face massive revenue and job losses. EDA is often the only place cities and towns can turn for help in getting back on their feet.

Since 1992, EDA has provided 173 grants, matched by local funds, totalling almost $288 million to these communities. But the value of EDA's contribution goes well beyond the dollars spent.

A good example of how EDA helps military towns adjust is in my hometown of Camden, AR. In 1957, the Navy shut down Shumaker Naval Ammunition Depot, which was an old research and development facility. After Shumaker closed, Camden was challenged with finding a new direction and source of jobs for our people. Before long, the newly-created Economic Development Administration provided Camden with a $365,000 grant that helped create a new technical college on the old Navy property. Today, I am proud to say that the Southern Arkansas University's Technical Branch in Camden is alive and well, thriving as a national leader in the area of robotics research. It has been a magnet for defense contractor factories that now employ thousands of workers.

Without EDA those thousands of jobs might not be available today.

The Federal Government has a responsibility to step in and provide a helping hand to communities that face the loss of a military base or a defense production facility. Eliminating EDA's funding in the wake of the 1995 base closure round would spell disaster for the people and the businesses that helped us win the cold war but not suffer due to defense downsizing.

Now, Mr. President, I have heard past criticisms about EDA's management and I am sure that some of my colleagues will mention them again today. However, I am here to say that EDA has reinvented itself. It is more effective and more efficient. The EDA has:

First, trimmed application processing down to 60 days.

Second, reduced regulations by 62 percent.

Third, has cut the processing time for grant applications by 50 percent and delegated more decisionmaking responsibility to regional offices.

Fourth, developed a single application form that can be used for all EDA programs.

Fifth, reduced administrative expenses in half from 13.6 percent in fiscal year 1989 to 6.6 percent in fiscal year 1995.

Sixth, in fiscal year 1996, the EDA will further reduce its staff from 350 to 309.

On July 26, 1995, Congressman HEFLEY of Colorado introduced an amendment in the House of Representatives which would have eliminated the funding for EDA. This amendment failed by a vote of 315 to 110. By this vote, both Republicans and Democrats voiced their support for the many successes that the EDA has accomplished in communities across the United States and for EDA's management.

Mr. President, I have letters of support for the Pryor/Snowe amendment from the National Association of Development Organizations and the National Association of Installation Developers that I would like included in the RECORD following my remarks.

Again, I would like to thank the managers for accepting the amendment. It was clear to all that a much higher funding level for EDA is supported by a clear majority of the Senate.

I ask unanimous consent that a list of cosponsors, and relevant letters be printed following my remarks.

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

CURRENT LIST OF COSPONSORS

Senator Baucus.
Senator Warner.
Senator Boxer.
Senator Robb.
Senator Breaux.
Senator Dodd.
Senator Daschle.
Senator Moynihan.
Senator D'Amato.
Senator Bingaman.
Senator Harkin.

Senator Cohen.
Senator Rockefeller.
Senator Bumpers.
Senator Lieberman.
Senator Levin.
Senator Ford.
Senator Lugar.

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS,
Washington, DC, September 19, 1995.

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

DEAR SENATOR PRYOR: On behalf of the members of the National Association of Development Organizations (NADO), I am writing in support of your Sense of the Congress Amendment urging the Senate to accept the House-passed funding level for the Economic Development Administration (EDA).

As organizations representing local governments that served distressed communities, NADO members understand the importance of EDA assistance—and of an adequately funded EDA. Distressed communities, through help from EDA, have access to the professional capacity and planning capabilities, infrastructure grants, business development programs, and disaster and defense adjustment assistance that they need to battle economic disruption—whether it be chronic or sudden and unexpected. Distressed communities depend on EDA assistance. They need adequate funding for EDA if they are to have any chance to develop economically.

EDA is not a hand-out: EDA is a federal program that attracts local funds—every EDA dollar invested leverages three local dollars; and EDA creates long-term private sector jobs that puts people to work—2.8 million people have been put to work through EDA assistance.

NADO members realize that difficult choices must be made to help balance the budget. As a result, we understand the need for cuts to EDA funding made by the House. H.R. 2076, as approved by the House of Representatives, cuts EDA funding by 21 percent from current funding levels—a considerable reduction. However, further cuts would significantly inhibit EDA's ability to assist distressed communities. The communities that EDA serves are those that can least afford reductions.

The House of Representatives agrees: by a 315–110 vote, representatives overwhelmingly rejected an attempt to eliminate EDA funding. Voting in support of EDA was a majority of the Republican caucus (including a majority of the freshman Republican class) as well as a majority of the Democratic caucus. We urge senators to join with you, Senator Olympia Snowe and others in showing support of adequate funding for this essential program by cosponsoring your amendment and voting for it on the floor.

NADO members endorse the Pryor/Snowe amendment and urge all senators to vote for it. We appreciate your leadership on this crucial issue.

Sincerely yours,

JAMES C. TONN,
NADO President and Executive Director,
Middle Georgia Regional Development Center, Macon.

NATIONAL ASSOCIATION OF INSTALLATION DEVELOPERS,
Alexandria, VA, September 20, 1995.

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

DEAR SENATOR PRYOR: The National Association of Installation Developers (NAID) supports your efforts to maintain funding for the Economic Development Administration (EDA). As you know, NAID is an organization dedicated to helping communities that have had their local military bases closed or designated for realignment. NAID is comprised of nearly 400 members including representatives from communities and states affected by base closures.

In August NAID had its annual conference in Chicago which was attended by more than 450 delegates. One of the sessions on the program was about EDA's role in base reuse. The membership of our organization understands fully the critical contribution of the EDA's Defense Economic Conversion Program to successful base reuse. The EDA is one of a very few governmental agencies that assists communities impacted by military base closings and defense downsizing.

Senator Pryor, you understand the devastating impact the loss of the EDA's Defense Economic Conversion Program would have on communities seeking to recover from military cutbacks. NAID and its members appreciate your effort to preserve funding for this essential need.

Cordially,

BRAD ARVIN,
President.

Ms. SNOWE. Mr. President, I would first like to thank my colleague from Arkansas, Senator PRYOR, for his continued efforts on issues pertaining to the Economic Development Administration [EDA] and for sponsoring this amendment. And I am pleased to join in this effort. I would also like to thank the bipartisan group of Senators who have joined us in cosponsoring this legislation.

Mr. President, I rise today in strong support of continued funding for the EDA. The EDA is a small but important agency that contributes significantly to economic growth and job expansion. Through its programs, the EDA fulfills a key function in providing State and local governments, non-profit organizations, and public institutions with vital economic grants and technical assistance.

The House of Representatives clearly recognized the vital role that the EDA plays in communities affected by economic dislocation and included a significant and meaningful level of funding for the agency in fiscal year 1996. And although the House overwhelming voted on July 26 to maintain the $348.5 million funding level contained in the Commerce-Justice-State appropriations bill, the Senate Appropriations Committee opted to cut funding for the EDA to $100 million.

I recognize the challenge that we face in balancing the budget over 7 years and believe that all programs should be asked to contribute. However, as we choose those programs that should be either scaled back or eliminated, it is important that we establish priorities. I believe the EDA can and should remain a priority even as it contributes to deficit reduction. The House-passed funding level for EDA is $60 million less than the amount appropriated in fiscal year 1995—which would amount to a 21-percent cut. The amendment we are offering would send a strong message to the soon-to-be-chosen conference committee that, while such a reduction is acceptable, to go further would imperil an agency that has proven to be a valuable source of economic assistance to regions all across the United States.

The debate over EDA funding is hardly a new one in Congress—previous administrations have even proposed the termination of the agency. However, I have consistently fought—and will continue to fight—for meaningful funding because of the critical assistance I have seen the EDA deliver not only in the State of Maine, but across the United States.

Many in Congress know the real value of EDA in distressed communities and support the EDA. We all know that economic distress is not limited to simply a single city or county. Pockets of need exist nationwide in both rural and urban areas. And while some may be concerned that EDA moneys are spent in regions lacking requisite need, 98.8 percent of the 603 EDA projects undertaken between fiscal year 1992 and today were in areas of high economic distress.

For 30 years the EDA has provided grants for infrastructure development, local capacity building, and business incentives that address the debilitating conditions caused by substantial and persistent unemployment in economically distressed areas. Since 1965, the EDA has provided more than $15.6 billion nationally through its programs for initiatives ranging from natural disasters to defense conversion. The partnerships it has forged with local, county, and State economic development organizations have provided invaluable assistance and technical support for regions of high economic distress not only in Maine, but across the United States.

Over this same period of time, the EDA has invested more than $182 million in 570 projects targeted to assist needy communities in Maine. During 1994, more than $14 million in EDA assistance was received by the State. Included in this amount was $6 million in assistance for fishermen coping with the severe economic impacts of the ongoing New England groundfish crisis.

EDA is a true partnership between the Federal Government and local communities that fosters economic growth and stability by promoting sound economic development practices and carefully investing limited Federal dollars. The underlying philosophy of the EDA program is that long-term job opportunities can best be created by providing the infrastructure and other forms of support necessary for private businesses to establish new plants or to expand existing facilities in economically distressed areas. And the programs administered by the EDA put this philosophy into practice.

EDA's Public Works Program is an excellent example of the federal-local partnership that brings this vital assistance to distressed regions. We all recognize that an adequate local infrastructure is critical to the development and expansion of rural and urban economies. By pairing federal grants

with matching monies from local communities, the Public Works Program has led to the development of water and sewer systems, industrial access roads, and high-skilled training facilities. All of these services are essential to not only retaining existing businesses, but to attracting new industries to communities. In our increasingly competitive global economy, the importance of developing this infrastructure and attracting new businesses cannot be overstated.

The Title IX Economic Adjustment Assistant Program provides communities with the most flexible tools necessary to develop and implement locally-identified economic development priorities that address changes that are causing—or are threatening to cause—serious structural damage to the underlying economic base. Examples of such economic changes include sudden and severe economic dislocations caused by base closures, reductions in defense contract spending, new Federal laws or requirements, industrial or corporate restructuring, or natural disaster. Structural economic changes may also result from long-term economic deterioration as evidenced by gradual population shifts, depletion of natural resources, or increased foreign market competition that drains a significant local industry.

Under the Title IX program, communities are provided with the flexibility and tools necessary to organize a local strategy for achieving economic stability and change. Such planning may lead to grants for projects including the construction of public facilities, roads, or industrial parks. In Lewiston, Maine, Title IX monies proved invaluable in renovating the Bates Mill—a textile mill that required massive renovations following its closure.

Finally, the EDA Planning, Technical and Trade Adjustment Assistance Programs are visible examples of local-federal partnerships with academic institutions, communities, and economic development professionals committed to the promotion of our nation's economic well-being.

As cited in a recent issue of Fortune magazine, many firms with strong growth potential have very little in the way of physical assets, but many intangible assets. When these firms seek capital for expansion, their lack of collateral is a significant hindrance. Through the utilization of a small EDA grant, the article demonstrated how a recipient was able to create a formula to help firms calculate the value of these intangible assets—which could thereby be helpful in expanding access to capital. EDA Planning Assistance also supports local economic development planning efforts necessary to respond to local problems and, therefore, help communities take advantage of opportunities at the state, multi-county, and local level.

Through these and other programs, the EDA has proven itself to be an invaluable guide and resource for economically depressed communities. Based on available data, the EDA has created more than 2.8 million jobs of which 1.5 million were the result of public works projects. In addition, through the EDA revolving loan fund program, the agency has created $1.9 billion in private sector capital—which amounts to more than three dollars in outside capital being generated for every federal dollar invested in the program. And don't be mistaken: EDA is not an entitlement program—rather, it is a push in the right direction for our nation's communities.

As Congress begins to make the tough decisions necessary to balance the budget, let us be sure we continue to maintain a program that has proven itself to be both necessary and effective in its broad assistance to distressed communities across America. I urge my colleagues to continue funding the EDA at a responsible level—and support the Pryor-Snowe amendment.

AMENDMENT NO. 2878

(Purpose: To establish conditions for the termination of sanctions against Serbia and Montenegro)

At the appropriate place in the bill, insert the following:

SEC. . RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO.

(a) RESTRICTIONS.—Section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended by striking subsection (e) and inserting the following:

''(e) CERTIFICATION.—A certification described in this subsection is a certification by the President to Congress of this determination that:

''(1) the elected Government of Kosova is exercising its legitimate right to democratic self-government, and the political autonomy of Kosova, as exercised prior to 1984 under the 1974 Constitution of the Socialist Federal Republic of Yugoslavia, has been restored;

''(2) systematic violations of the civil and human rights of the people of Kosova, including institutionalized discrimination and structural repression, have ended;

''(3) monitors from the Organization for Security and Cooperation in Europe, other human rights monitors, and United States and international relief officials are free to operate in Kosova and Serbia, including the Sandjak and Vojvodina, and enjoy the full cooperation and support of Serbia and local authorities;

''(4) full civil and human rights have been restored to ethnic non-Serbs in Serbia, including the Sandjak and Vojvodina;

''(5) the Federal Republic of Yugoslavia has halted aggression against the Republic of Bosnia and Herzegovina;

''(6) the Federal Republic of Yugoslavia has terminated all forms of support, including manpower, arms, fuel, financial subsidies, and war material, by land or air, for Serbian separatists and their leaders in the Republic of Bosnia and Herzegovina and the Republic of Croatia;

''(7) the Federal Republic of Yugoslavia has extended full respect for the territorial integrity and independence of the Republic of Bosnia and Herzegovina, the Republic of Croatia, and the former Yugoslav Republic of Macedonia; and

''(8) the Federal Republic of Yugoslavia has cooperated fully with the United Nation war crimes tribunal for the former Yugoslavia, including by surrendering all available and requested evidence and those indicted individuals who are residing in the territory of Serbia and Montenegro.''.

(b) FOREIGN ASSISTANCE ACT AMENDMENT.—Section 307(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2227(a)) is amended by inserting ''Serbia and Montenegro,'' after ''Cuba,''.

(c) CONFORMING AMENDMENTS.—Section 1511(a) of such Act is amended by striking ''subsections (d) and (e)) remain in effect until changed by law'' and inserting ''subsection (d)) remain in effect until the certification requirements of subsection (e) have been met''.

(d) SENSE OF THE CONGRESS.—It is the sense of the Congress that the conditions specified in section 1511(e) of the National Defense Authorization Act for Fiscal Year 1994, as amended by this section, should also be applied by the United Nations for the termination of sanctions against Serbia and Montenegro.

Mr. DOLE. Mr. President, I rise to offer an amendment, together with the distinguished Senator from South Dakota, Senator PRESSLER, which would require the President to certify that certain conditions have been met before United States sanctions on Serbia can be lifted. These conditions include an end to systematic violations of the civil and human rights of the people of Kosova; the restoration of Kosova's political autonomy as exercised prior to 1984; and an end to the Belgrade regime's support for Serb separatists in Bosnia and Croatia.

In my view this amendment is very important. For all of the administration talk of peace being around the corner, the situation in the former Yugoslavia is hardly peaceful—or stable. We cannot and must not forget that in Kosova, 2 million Albanians are in their 6th year of martial law. Not only are they disenfranchised, unemployed, and living what is at best a subsistence existence, they are victims of brutal and systematic repression. The Serbian Government has deployed thousands of interior police to ensure its regime of terror in Kosova.

Furthermore, despite his image as peacemaker, Serbian President Milosevic continues to support aggression against Bosnia, and the occupation of Croatia. The Yugoslav Army is assisting Bosnian Serb forces—who are still attacking Bosnian towns.

The sanctions imposed on Serbia and Montenegro are essentially the only leverage the United States—and the international community—has chosen to use to influence the behavior of the Milosevic regime. These sanctions should not be lifted until the situation in Kosova is resolved—even if a peace plan is agreed to for Bosnia.

One of America's key objectives should be stability in the region, and this goal cannot be achieved without a military balance in Bosnia and Croatia, and without resolving the question of Kosova. Although originally Kosova was on the agenda of EU and U.N. sponsored talks on the former Yugoslavia, negotiating efforts since 1992 have ignored Kosova. This is short-sighted and a serious error. Both the Bush and

Clinton Administrations have publicly recognized that a conflict in Kosova could draw in Albania and our NATO allies.

Therefore, I believe that sanctions should not be lifted on Serbia until a comprehensive settlement which includes Kosova, is not only agreed to, but implemented. We must take a long term view, not a short term view, and pursue policies which can enhance stability.

KOSOVA

Mr. PRESSLER. Mr. President, I am pleased to join with the majority leader to offer this amendment, which would condition the lifting of sanctions against the former Yugoslavia on specific improvements in Kosova. I am concerned deeply with events taking place in the former Yugoslavia. It is my hope that a workable peace agreement can be reached in the troubled Balkan region. However, I remain concerned with the fragile condition in Kosova. The United States should be resolute in averting an accelerated campaign of ethnic cleansing and Serbian aggression against Kosovar Albanians. I believe the legislation introduced today will ensure United States policy interests in Kosova stand a far better chance to be achieved.

Briefly, our amendment would require specific conditions be met in Kosova before lifting sanctions against the former Yugoslavia. These conditions include: full restoration of all civil and human rights; the return of international observers to monitor the human rights situation in Kosova; permitting the elected Government of Kosova to assemble; and bringing an end to the brutal Serbian-imposed martial law. Last year, President Clinton announced a set of conditions concerning the lifting of sanctions against Serbia. However, these requirements did not include improvements in Kosova. I believe the situation in the former Yugoslavia demands that the plight of Kosovar Albanians be addressed.

Unquestionably, Albanians in Kosova have suffered great hardship. Since the Belgrade government expelled international observers, basic civil and human rights have deteriorated significantly. Currently, Serbian-imposed martial law, institutionalized discrimination, and organized repression characterize daily life for the more than 2 million Albanians living in Kosova. Kosovar Albanians are denied education, employment, and due process of law solely on the basis of their ethnicity. Given these dire circumstances, I believe the termination of sanctions imposed on the former Yugoslavia should be coupled with a successful resolution to the crisis in Kosova.

Mr. President, I have long been an outspoken advocate for Kosovar Albanians. This amendment would help to resolve their current plight. I urge my colleagues to adopt this important legislation.

The PRESIDING OFFICER. The question is on the amendments, en bloc

The amendments (No. 2847 through 2878) were agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. GRAMM. Mr. President, I want to thank several staff members. I thank Scott Gudes, who did an exceptional job in helping us put this together. I thank, from my own staff, David Taylor, who, in my period as chairman of this committee, has done an absolutely great job. I am very proud of him and the work he has done. I thank Scott Corwin, Lula Edwards, Steve McMillin, from my own staff, to the degree to which we have made a small impression on the deficit, to the degree to which we have started to change the way American Government works in this one little appropriations bill. I think nobody deserves more credit than Steve McMillin does. I appreciate his help.

Mr. HOLLINGS. Mr. President, I did not think I would be thanking the Senator from Texas, but I do. We have really cleaned this bill up materially, substantially, and meaningfully. I do thank the distinguished chairman of our subcommittee for his cooperation and assistance in working out a bill that, no doubt, would still be vetoed as inadequate, but certainly by way of balance and maintaining fundamental programs, such as the cops on the beat and Legal Services Corporation, the minority business enterprise, and so forth—you can go down the list—and for saving from very, very severe cuts the Small Business Administration, Federal Trade Commission, SEC, and many, many others.

You can tell by the participation, Mr. President, and the numerous amendments that we have adopted, en bloc, after consideration here for three full days, that it could never have been done without the wonderful work of David Taylor, Scott Corwin, Lula Edwards, Steve McMillin, Scott Gudes, and Keith Kennedy and Jim English of our full Appropriations Committee. They guide us regularly in all of our deliberations here.

So I want to make sure that Mark Van de Water and the rest are acknowledged, because they have been doing it until 2 o'clock this morning and around the clock here this evening.

We are very grateful to the Members for their cooperation and then, of course, most particularly, my good friend, the Senator from Hawaii, who kept us going, the Senator from Kentucky, our leader, along with the distinguished minority leader, the Senator from South Dakota, and most of all, the Senator from Oregon, the principal chairman of the Senate Appropriations Committee. With his guidance within the committee and in the last few days, we have a bill that I intend to vote for.

I thank the Senator from Texas.

Mr. GRAMM. Mr. President, I want to thank Senator HATFIELD, chairman of the full committee. I think it is clear that without his help and guidance and leadership, we would not have passed this bill at this time.

Finally, I want to thank the ranking member of the committee, Senator HOLLINGS. Not only has he done his usual great job, but no one has missed the fact that his eye was operated on. There are very few Members of the Senate who, under the circumstances, would have been here doing their job. I know it has been painful for all of us looking at it, so it has got to be painful to Senator HOLLINGS looking through it. I just want to commend him for the great work he has done.

Finally, before suggesting that we move to third reading, the bill before the Senate has been amended in such a way that funding levels for a number of accounts are set by language contained in two or more places in the text.

Under the standard procedure for conferring with the House on amendments in disagreement, the funding levels for these activities would be determined by the interaction of several amendments in disagreement. This would greatly complicate the resolution of conference on terms favorable to the Senate.

In order to assist the resolution of a conference with the House, I propose that the Senate action on this bill be presented to the House in the form of a substitute.

Therefore, I ask unanimous consent that the amendments of the Senate bill be deemed as one amendment in the nature of a substitute for the House of Representatives-passed bill.

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

ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. BOND. Mr. President, I rise today to engage in a colloquy with my colleague from Texas, Senator PHIL GRAMM, the distinguished chairman of the Commerce, Justice, State Appropriations Subcommittee.

My distinguished colleague from Texas can well understand the ferocity of natural disasters. I know he remembers well the historic ''Great Midwest Flood of 1993'' that devastated thousands of people's homes, businesses, and lives throughout the Midwest, including my home State of Missouri. Missourians are fighters and survivors and don't accept defeat. After the floods subsided, Missourians picked up the pieces and began rebuilding their lives, only to be hit again this year with near-record flooding.

It is devastating that my fellow Missourians have had to fight and survive natural disasters. But what is even worse and more devastating is that my fellow Missourians are having to fight man-made disasters created by White House policy.

The White House policy that I am referring to was the choosing, by the Administration, of the Economic Development Administration (EDA) to handle

part of the levee reconstruction program.

I believe a lot of mistakes were made by bureaucrats during our flood recovery, but one of the biggest blunders was choosing the Economic Development Administration to handle part of the levee reconstruction program. As proof of how ill-equipped the agency was to administer this levee program—only one of the twelve levee projects awarded nationally was complete two years after the ''Great Flood.'' Out of the eleven incomplete levee projects, most not even begun, six are in my own state of Missouri.

Thanks to the delay of repairing the levees, when the latest flooding occurred, people were evacuated, thousands of acres of farmland flooded, and highways were inundated. Hundreds of thousands of dollars were spent trying to preserve water supplies, and countless hours of backbreaking work literally washed downstream.

The State of Missouri, local residents and cooperative federal agencies have pushed and prodded the EDA into awarding contracts and have even gotten the EDA to start work on our flood control projects. But the EDA is still being difficult. EDA is trying to claim it cannot modify the scope of projects to include damage from this past spring's flooding, even though this Congress has been careful to preserve unobligated funding for contingencies just such as my State is experiencing.

When we did the rescission bill earlier this year we left $2,000,000 in unobligated balances related to emergency supplementals available for projects currently in the funding pipeline such as the flood control projects you have mentioned. I do not understand why the EDA claims it cannot modify the scope of a project, if the project was in the funding pipeline and the reason that it needs to be modified is because of delay of action by the EDA.

I ask the assistance of my good friend in assuring that the EDA will honor its obligations to Missouri by making available quickly the funding necessary to complete projects awarded from the Flood of 1993. I want to emphasize that this assistance would not be necessary if the agency had accomplished this mission before the flooding hit earlier this year. If the matter is not revolved quickly, we risk still more avoidable flooding and the passing of a third construction season. These consequences would be unconscionable.

Mr. GRAMM. It is my view that this situation should be solved and I will work with the Senator to that end.

IMMIGRATION AND NATURALIZATION SERVICE ACCOUNT

Mrs. KASSEBAUM. I had intended to offer an amendment to provide such funds as may be available, but no less than $10 million, for a Central States Support Fund. These funds are needed to provide additional INS offices in the central states. Additional offices are needed to support communities in their efforts to reduce the flow of illegal workers and to assure expeditious deportation. Senator GRASSLEY is a cosponsor of this amendment.

Mr. President, it has been said that the border states are increasingly a pass-through to reach jobs in the interior. My state and others in the central corridor need help in meeting this challenge. But not much help has been forthcoming. There is no INS office in the whole western half of Kansas, where the need is great. In other parts of my state, the INS presence is thin. Local law enforcement, having arrested vans of illegal aliens being smuggled into the country, have been told to send them on their way because INS personnel was not available.

Senator GRASSLEY, if he were not tied up in the Finance Committee, would point out that in the whole state of Iowa there is no INS office, though, again, the need is great.

The efforts of these interior states are critical to the success of national initiatives to control the flow of illegal workers. Areas in the central corridor that are most challenged by the flow of illegal workers must have a day-to-day INS presence—for example, to assist local law enforcement in expeditious deportation of illegal workers who are repeat criminal offenders.

Mr. President, I urge the adoption of this amendment. This amendment would open a separate account, to be called the Central States Support Fund, to assure that these needs are promptly addressed and that the funds are used exclusively for that purpose.

Mr. GRAMM. I understand the concerns of my colleague. The needs of the interior states are great, and it is my belief that these needs will be alleviated by the strong Border Patrol initiative in this bill. However, I would like to be able to assist my colleague from Kansas and Senator GRASSLEY in ensuring a strong INS presence in their states, as well as others in the central corridor.

Mrs. KASSEBAUM. Since funding under this bill is very tight, I agree not to offer the amendment, with the understanding that $10 million in additional funding will be sought in conference with the House for the purpose of establishing this fund. I also understands that the INS will be required in the next two months to provide a plan for deployment of additional personnel and offices in the central states.

LAW ENFORCEMENT SUPPORT CENTER

Mr. LEAHY. Mr. President, I am concerned that the Immigration and Naturalization Service's (INS) continue to develop and implement the Law Enforcement Support Center (LESC). This Center is the only on-line national database available to identify criminal illegal aliens.

The LESC is a valuable asset and essential to our national immigration policy. The Center provides local, state and federal law enforcement agencies with 24-hour access to data on criminal aliens. By identifying these aliens, LESC allows law enforcement agencies to expedite deportation proceedings against them.

The Center was authorized in the 1994 Crime Bill. The first year of operations has been impressive as the 24-hour team identified over 10,000 criminal aliens. After starting up with a link to law enforcement agencies in one county in Arizona, the LESC expanded its coverage to the entire state. In 1996, the LESC is expected to be on-line with California, Florida, Illinois, Iowa, Massachusetts, New Jersey, Texas, and Washington.

The House and Senate Commerce-Justice-State Appropriations bills do not expressly provide funding for the LESC. The LESC is available now and is proving to be an effective resource for law enforcement agencies.

We owe it to states with illegal alien problems to support the only system available to identify criminal aliens. INS Commissioner Doris Meissner supports it. Commissioner Meissner recently wrote to me reaffirming INS' commitment to the LESC. I urge setting aside $3.8 million within the INS budget to allow the LESC to continue its valuable work. Accordingly, I ask the Chairman whether the bill will allow INS to continue to fund the LESC at $3.8 million for fiscal year 1996?

Mr. GRAMM. Yes, it does.

Mr. LEAHY. I thank the Chairman.

BENEFITS REVIEW BOARD

Mr. STEVENS. Mr. President, it has been brought to my attention that there is an excessive backlog of longshore claims at the Department of Labor's Benefits Review Board and that it takes an inordinate amount of time for the Board to process appeals under the Longshore and Harbor Workers' Compensation Act. I would ask the distinguished subcommittee chairman, Mr. SPECTER, if he agrees that the Board should take all steps necessary, including reorganization, to ensure that all appeals, including those now pending before the Board, are acted upon within one year from the date of filing the appeal. If by next year the Board falls short of this one-year standard, I believe we should consider suspension of pay for Board employees who have not acted within one year of an appeal being assigned to them.

Mr. SPECTER. I certainly agree that the Benefits Review Board should take all steps necessary to ensure that all appeals are acted upon within one year from the date of filing the appeal.

ANTI-GOVERNMENT CRIMINAL ACTIVITY FUNDING

Mr. BAUCUS. Mr. President, along with my distinguished colleague, Senator BURNS, I wish to bring to the Senate's attention a serious law enforcement problem facing too many Montana communities.

We both received a letter from Ron Efta from Wibaux, MT. Mr. Efta is president of the Montana County Attorneys Association. The association points to a serious problem with a lack of prosecution resources necessary to

deal with cases caused by anti-government criminal activity in our State. The increased demands that these prosecutions create for local prosecutors and law enforcement is well documented in court and law enforcement records and by a letter I received from Montana Attorney General Joe Mazurek.

Fortunately, part of the legislation before us today can help our local law enforcement and Attorney General Mazurek keep pace with these demands. As page 40 of the Committee Report states, the Edward Byrne Memorial State Law Enforcement Assistance Program includes $50 million in funding for discretionary grants to ''public and private agencies and nonprofit organizations for educational and training programs, technical assistance, improvement of state criminal justice systems, and demonstration projects of a multijurisdictional nature.'' I believe a modest investment of these funds, approximately $100,000, should be allocated to the Office of County Prosecution Services of the Attorney General of Montana. And I respectfully ask the support of the distinguished managers of this bill in making this request of the Justice Department.

Mr. BURNS. I share the concern of my colleague from Montana. This is a serious problem for our Montana law enforcement. I believe it is essential that a portion of the Byrne funds be allocated for this purpose. And I join Senator BAUCUS in making this request of the distinguished managers of the bill.

Mr. GRAMM. I thank the Senators from Montana for bringing this concern to the committee's attention. And I will encourage the Attorney General to award this grant if the need exists.

Mr. HOLLINGS. I thank the Senators. I recognize the seriousness of this situation. And I will encourage the Attorney General to award this grant.

FUNDING EARMARKS FOR DARE AMERICA

Mr. HATCH. I share the concerns of other Senators, including Senators D'AMATO and BIDEN, regarding the DARE program. DARE is a well-managed law enforcement program that is run by DARE America. DARE is very popular with citizens and police officers across the country. Salt Lake City police chief Ruben Ortega says DARE officers ''may be the most visible symbol of drug prevention in our community.''

The DARE program uses police officers to teach students how to resist pressure to experiment with drugs and alcohol. DARE is taught in 60 percent of America's schools, and involves over 20,000 police officers in all 50 States. Unlike some prevention programs, DARE is truly a grassroots program. Most of its assistance comes in the form of in-kind contributions of personnel and supplies. Less than 1 percent of DARE's budget is direct federal money [$1.85 out of $257 million in fiscal year 1995]. DARE needs that direct support, however, to run its five regional training centers.

DARE has been around for years, but recent headlines make the need for it especially clear. Tuesday we learned that drug use among young people has almost doubled in the past 2 years. According to former HEW Secretary Joseph Califano, more young people know that cigarettes are harmful than think marijuana is harmful. That kind of alarming statistic argues for renewed diligence in this area.

Mr. GRAMM. I also support the DARE program. One reason why prevention programs are so important is that young people are under so much pressure to use drugs. The July 18 New York Times reported that drugs are the greatest problem facing adolescents, ''far outranking crime, social pressure, grades or sex,'' according to a survey released by the Center on Addiction and Substance Abuse at Columbia University.

In fiscal year 1995, the DARE America program received an earmark of $1.75 million out of funds administered by the Bureau of Justice assistance for State and local law enforcement assistance. It is my intention that in fiscal year 1996, the same amount of money, $1.75 million, be available for the DARE program.

Mr. HATCH. That is an appropriate amount, in my judgment. The DARE program will also be eligible, I believe, to receive block grant funding under provisions of the Neighborhood Safety Act. I want to take this opportunity to acknowledge and thank my colleague from Texas for his efforts and leadership on this issue, and for his support for law enforcement as well.

Mr. D'AMATO. I would also like to encourage funding for the DARE program for fiscal year 1996. Drug use is rising among our Nation's youth, not declining as it should be. We have a responsibility to our children to prepare them for the devastation that results from drug habits. If DARE provides our children with such basic skills, it should be continued. It seems to me that having uniformed police officers speak directly to school children could only have beneficial effects.

NATIONAL WEATHER SERVICE

Mr. NICKLES. Mr. President, during the conference with the House, it is my desire that the senior Senator from Texas will defer to the House level on funding for the National Weather Service.

As my colleague is aware, the National Weather Service has been undergoing a complete modernization and restructuring to prepare it to give even better service as the Nation enters the next century. With two thirds of this modernization complete, it is not time to begin the restructuring—realigning people and consolidating offices to gain the efficiencies and cost savings that modernization promises.

An especially important step in the restructuring will come in fiscal year 1996—the activation of the National Centers for Environmental Prediction. Using the latest in communications and the best weather science, these centers will streamline the way the National Weather Service produces and disseminates forecasts. A good example is the new Storm Prediction Center now being organized in Norman, OK. This will provide detailed guidance and coordination to the Weather Service's new offices around the country on all severe weather except hurricanes.

I believe the proper course is to fund the National Weather Service and its supporting laboratories at the level authorized by the House of Representatives which will allow modernization to continue and restructuring to proceed as planned. Is it the Senator's intention to work toward the end during conference?

Mr. GRAMM. I certainly understand the concern of the Senator from Oklahoma. I strongly support the efforts to modernize and streamline the National Weather Service.

During the conference with the House, it is my intention to support a level of funding that will facilitate this ongoing modernization and streamlining effort at the NWS, including the Storm Prediction Center in Oklahoma.

ON NOAA COASTAL ZONE MANAGEMENT FUND

Mr. HOLLINGS. Mr. President, I would like to engage in a colloquy with the Senator from Texas regarding use of the coastal zone management fund in H.R. 2076. The Committee report on page 67 describes using $4,300,000 from this fund to administer the National Estuarine Research Reserve Programs, similar to a House proposal. Because of the need to leave at least $4,000,000 to administer the Coastal Zone Management Act [CZMA], I understood that the committee intended to designate $3,300,000 for national research reserve administration, and $4,000,000 for CZMA administration.

Mr. GRAMM. The Senator is correct. It is the intention of the committee that $4,000,000 be designated in order to fund administration of the CZMA Program, $3,300,000 be used to administer the National Estuarine Research Reserve Program, and $500,000 is left for State program development grants out of the total amount of $7,800,000 in the coastal zone management fund.

RELOCATION OF NATIONAL MARINE FISHERIES SERVICE

Mrs. BOXER. I thank the Chairman of the Appropriations Committee for entering into this colloquy with me regarding the relocation of the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS) Laboratory from Tiburon, California to Santa Cruz, California. The purpose of this colloquy is to ensure that this important project be supported in conference.

I cannot overstate the importance of this project to California and to the marine science community in the Monterey Bay area. The Tiburon research group consists of a core of world class fishery scientists. Relocating the group

to the Santa Cruz campus offers the opportunity to establish the University of California system's first PhD level fisheries curriculum. Bringing Tiburon scientists to the Monterey Bay area offers the almost unlimited potential of Federal, State, and private sector collaborative research, a potential that is not even conceivable in most other places in the U.S. or in the world.

Within the NMFS, the relocation of the Tiburon research group remains a top priority. NMFS views the project not as a replacement but as a consolidation initiative consistent with the recent Congressional guidance calling for a NOAA consolidation study. NMFS desperately needs a state-of-the-art research facility in the central California area to maintain and enhance its research activities along the central coast and in the San Francisco Bay area. If Tiburon were to be closed and staff assigned to other NOAA facilities, NMFS would have no research facility between La Jolla, California and Newport, Oregon, a distance of over 1000 miles and an area of critical marine resource problems.

NOAA and the Department of Commerce (DOC) also consider the relocation of the Tiburon research group to Santa Cruz a top priority. Last fall the DOC Deputy Secretary David Barram publicly announced the plan to relocate Tiburon to Santa Cruz. NOAA followed up by setting aside virtually all discretionary funding in the FY 1995 NOAA Construction Account (approximately $10.1 million) for the Tiburon relocation project. When rescission of these funds was proposed, I did not object because it is my understanding that the rescission would not impact, or delay, the project in FY 1995 since sufficient funds would remain to carry out all planned FY 1995 activities, and there was an agreement that the rescinded construction funds would be restored in the FY 1996 appropriations process.

It is critically important to get additional funds for land acquisition and construction in FY 1996. The best current estimates indicate that $10 million is required in FY 1996 for land acquisition and to enable construction to go forward. Even in this budget cutting climate, I believe an investment of $10 million in FY 1996 for a modern, consolidated research facility that ensures wise and sustainable use of California's valuable fishery resources is well justified.

Given that it has not been possible to provide for the full $10 million in FY 1996, I would like to thank the Senator for agreeing to assist me in securing a placeholder amount of dollars in Conference, to the NMFS Construction account in FY 1996, and for agreeing to the extent possible that these dollars will not impact NOAA's budget. I would also like to thank the Senator for agreeing to make every effort to add report language in Conference giving the go-ahead on expenditure of the appropriated Architecture and Engineering funds.

Mr. HATFIELD. We will make every effort to see that this is done in conference.

Mrs. BOXER. I thank the Chairman very much for his help on this important issue.

AMERICAN INSTITUTE OF INDIAN STUDIES

Mr. MOYNIHAN. I rise to stress the importance of continued active participation in the American Institute of Indian Studies (AIIS). AIIS is the preeminent organization funding U.S. scholarship in India. This program operates in conjunction with the Council of American Overseas Research Centers, and is affiliated with Universities across the country.

Is the distinguished Senator from South Carolina aware of the participation of researchers from the University of South Carolina in AIIS?

Mr. HOLLINGS. I thank the Senator for raising this issue and for noting the participation of the University of South Carolina in the program.

Mr. MOYNIHAN. I say to my two colleagues that in 1974 President Nixon asked me to go to New Delhi as Ambassador in his second. At that time relations between our two nations were somewhat strained. The two largest democracies in the world should not have strained relations, but we have experienced such periods in the half-century since independence. One thing that I have noticed as a longtime follower of U.S.-India relations has been that when official contacts between our countries cool, citizen to citizen contacts have successfully carried the weight of the relationship. I would say to my two friends that AIIS is an organization which has played such a role in our relations with India.

Mr. HOLLINGS. I do not disagree that well run exchange programs can help improve relations between our countries.

Mr. MOYNIHAN. I am concerned that the level of funding in the bill for international educational exchanges will seriously impinge on the ability of AIIS to adequately fill the research demands of U.S. scholars in India. I would therefore seek assurance from the Chairman and Ranking Member of the Subcommittee that the statement of managers for the Conference Report of this Bill contain mention of the merits of AIIS and the importance of continued funding for the organization.

Mr. GRAMM. I understand the concerns of the Senator from New York and I will seek to address them in the Conference Report.

Mr. HOLLINGS. The Senator raises an important point and I will be sure that his views are raised at the conference.

Mr. Moynihan. I thank my colleagues for their assistance.

INTERNATIONAL TRADE ADMINISTRATION AND BUREAU OF EXPORT ADMINISTRATION

Mr. HOLLINGS. Mr. President, I would like to comment on the importance of the amendment offered yesterday by the Senator from Oregon, Senator HATFIELD, and myself in terms of its impact on the trade related functions of the Department of Commerce.

Mr. President, over the past few years, Members of the Congress have been deeply divided on certain trade issues such as NAFTA, GATT, and Fast Track. However, almost all the members of Congress agree that there are certain fundamental jobs that the Federal Government must perform to facilitate international trade and to ensure that U.S. companies are competitive in the global marketplace.

We must enforce our trade laws so that U.S. jobs are not lost to foreign competitors who are subsidized by their governments, or who engage in predatory practices.

We must monitor and enforce our trade agreements with other countries.

We must produce detailed industrial sector analysis so that both businesses and the government can make sound policy decisions.

The International Trade Administration within the Department of Commerce is the nerve center of all these activities.

The Committee reported bill gutted our International Trade Administration. It cut the agency $46.5 million below the fiscal year 1995 level and below the level set by the Contract for America House. The Committee report provided no details on how such a large reduction would actually be apportioned within ITA. What Senator HATFIELD and I and others did yesterday was to bring the ITA back to a freeze. This was a bipartisan amendment. And, I should note, support for ITA has always been bipartisan.

Mr. President, the ITA is made up of four separate agencies:

First; the United States Foreign and Commercial Service.

The Foreign Commercial Service officers are our advocates overseas. They operate offices in 69 countries and they have a network of 73 offices across America. Overseas, they serve directly under our Ambassadors. Our Foreign Commercial Officers are the folks who hustle to ensure that U.S. firms get fair treatment while competing for foreign contracts, and who help small- to medium-sized U.S. companies work through the maze of foreign regulations and other barriers. They enable U.S. businesses to gain access to their worldwide network overseas, and they provide information to business owners concerning various foreign markets. During the past few years, these centers have been collocated with personnel from the Small Business Administration and the Export Import Bank.

Second; trade development.

The Trade Development section of ITA provides analysis and information