

service members can enroll in the Servicemen's Group Life Insurance program to \$200,000. Ironically, we need to make an adjustment to SGLI again as we are deploying U.S. Forces in harm's way; the last time we did this was prior to the Persian Gulf war. I sincerely hope that no family will lose a loved one and therefore need to receive this increased benefit. However, the President has told us to expect casualties in Bosnia, and this protection will not take effect unless this bill is enacted.

The Committee on Armed Services concentrated on improving the quality of life for our military personnel and their families. We did not do this because our forces would deploy to Bosnia, but because there was a need. The list of initiatives in this area reflects a high degree of success. However, none of these improvements will occur unless this agreement is enacted.

We authorized a 2.4-percent pay raise and a 5.2-percent increase in the basic allowance for quarters effective January 1, 1996. We also attempted to repair a breach of faith with our military retirees by restoring the military retirement COLA dates to the same schedule as Federal civilian retirees. If the authorization is not approved, military retirees will continue to be treated unfairly, and military personnel will be denied the full pay raise and increase in the quarters allowance.

We included a provision that permits military families to use CHAMPUS for well-baby care, routine immunizations, and school physicals. The administration talks about doing this, but military families will continue to do without, or pay for these services out of pocket, unless this conference agreement is enacted.

I cannot understand how any Senator or the President could ask our service members to go to Bosnia, leaving their families alone in Germany and other places far from their homes, while at the same time denying them the pay raise, insurance coverage, allowances, and other quality of life improvements they deserve.

The bill contains the authority to reform the acquisition and procurement processes in accordance with the general effort to streamline Government. It also reforms the process for managing the procurement of information technology in order to provide our front-line troops with the latest and best information about their situation. All the acquisition reform provisions contained in sections D and E of the bill will be lost if the conference agreement is not enacted.

Procurement funding has declined by 44 percent since 1992 and procurement is at the lowest level as a percentage of the budget since the years prior to the Second World War. This agreement takes a step toward resolving that deficiency by authorizing items needed to fight and win decisively while minimizing the risk to our troops. It buys basics, invests to achieve savings, and focuses on the future.

The conference agreement would also authorize funds for the counterproliferation support program. The nerve gas attacks in Japan and the bombing in Oklahoma this year show the need to protect not only our military personnel but also our citizens within the United States against the use of weapons of mass destruction. The conference report requires the Department of Defense, the Department of Energy and other appropriate Government agencies to report to Congress on their military and civil defense preparedness to respond to such emergencies. The conference report also authorizes DOD to provide assistance in the form of training facilities, sensors, protective clothing, antidotes, and other materials and expertise to Federal, State, or local law enforcement agencies.

The conference agreement authorizes funds for arms control to enable the United States to meet its treaty obligations to destroy or dismantle chemical and strategic nuclear weapons and material. It also provides \$300 million for the Nunn-Lugar Cooperative Threat Reduction Program for the destruction of nuclear and chemical weapons in the former Soviet Union.

On the question of theater missile defense demarcation, the conference outcome is virtually identical to the Senate-passed provision. This should alleviate concerns about constraining the President's prerogatives in negotiations while fulfilling the constitutional responsibility of Congress to review the results of those negotiations. I believe we have addressed all the concerns of the administration and the minority conferees on this issue.

I am very disturbed to hear that some are working to defeat or veto the conference agreement over the ballistic missile defense provisions. These provisions are balanced and fair. If this veto comes to pass, it will become clear that the administration's arguments over the ABM Treaty were merely attempts to block the deployment of any type of national missile defense system, to include one that complies with the ABM Treaty. I find it hard to believe that the President would veto this important bill simply to deny the American people a defense against ballistic missiles.

Many aspects of this bill are important not only to military men and women but to all our citizens. The section on Department of Energy National Security Programs focuses resources on cleaning up the highest priority nuclear waste problems at the former nuclear materials production sites. It also funds the isolation and reduction of spent nuclear fuel rods, some of which are beginning to corrode. These problems cannot be addressed in fiscal year 1996 unless the authorization bill is enacted.

The agreement establishes uniform national discharge standards for vessels of the Armed Forces and directs the clean up of DOD environmental

problem sites. These and other environmental initiatives will be lost if the bill is not enacted.

President Clinton has urged our citizens and the Congress to support his Bosnia intervention. I have listened to his arguments about world leadership and our role in the world. Our troops will bear the brunt of his decision and they deserve to be supported, but their support will be compromised without the defense authorization. I am dismayed that any Senator would consider voting against this legislation or attempt to use this bill for political purposes. Politics used to stop at the water's edge, especially when our forces were deployed to a hostile fire area. I urge my colleagues and the administration to work toward the enactment of this conference agreement and not to jeopardize, disadvantage, or impede our Armed Forces.

Mr. President, I yield the floor. How much time do I have left?

The PRESIDING OFFICER. The Senator has 7 minutes and 35 seconds left.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, I suggest we take 20 minutes to wait for Senator DASCHLE to get here from the White House.

In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. 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. KENNEDY. Mr. President, the Senate is waiting for our leaders to return from an important meeting with the President. I wish to address the Senate on another matter. I will be glad to yield to the managers at the time they want to request the vote on the defense authorization. I appreciate their courtesy.

Mr. President, I ask to be able to proceed as in morning business.

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

#### ENCOURAGING A BALANCED BUDGET

Mr. KENNEDY. Mr. President, earlier today, I noticed a rather extensive advertisement that was in the Washington Post, and also other newspapers, a full page advertisement. On one side are all the signatories of

major industries. It was run in several of the newspapers. It says, "Without a Balanced Budget, the Party's Over, No Matter Which Party You Are In." These corporate and business leaders urge that the Congress move ahead with the President and pass it at the earliest possible time. I want to read to the Senate a letter I just sent to those who have signed this advertisement and point out the following reaction that I had to the letter itself:

DEAR SIR: I welcome and agree with the message in your two-page advertisement in the New York Times and the Washington Post this morning that America should live within its means and achieve a balanced budget. The issue is not whether we achieve a balanced budget, but how to do it in a way that assures that the sacrifices as well as the benefits of reaching a balanced budget are fairly shared among all Americans. I hope you agree that equal sacrifice is the heart of a fair balanced budget.

The original Republican budget plan was properly vetoed by President Clinton last week, because it failed to meet this test. It inflicted deep cuts in Medicare, Medicaid, education, the environment, and other important national priorities, and it included large tax breaks for wealthy individuals and corporations. Half of all the spending cuts in the Republican plan came from the bottom 20% of families in America, while only 9% of the cuts came from the top 20% of families in America. Two-thirds of the tax breaks in the Republican plan go to this same top 20% of Americans, while the bottom 20% would face a tax increase. The middle 60% of Americans would also be hit unfairly. They would lose an average of \$600 each because of the spending cuts, and get back only a third of that amount in tax reductions. These are conservative distributional estimates, and they plainly demonstrate the unequal sacrifices and unequal benefits contained in the Republican plan.

You say that every form of spending should be on the table, "including long term entitlement programs." I agree. By the year 2002 the largest of all entitlement programs will be the tax entitlements. Between now and the year 2002, the federal government will spend over \$4 trillion in tax loopholes and tax preferences which go disproportionately to wealthy individuals and corporations. In 2002, these tax entitlements will represent a large share of the budget than Social Security, Medicare, Medicaid, or any of the other entitlement programs. But so far, out of the \$4 trillion of tax entitlements, the Republicans are willing to cut only \$16 billion.

Surely, if elderly couples depending on Medicare and having an average income of less than \$17,000 a year would be required by the Republican plan to pay an additional \$2,500 in Medicare premiums to balance the budget over the next seven years, corporations can be asked to contribute their fair share. If four million children would lose their health care and five million senior citizens and disabled Americans would lose their Medicaid protection to balance the budget, corporations can be asked to bear their fair share. Surely, if education funding would be cut by 30% and millions of college students would have the cost of their student loans increased to a point where they may no longer be able to afford college, corporations can be asked to bear their fair share.

If you are truly interested in balancing the budget, I hope you will agree that corporations should bear their fair share of the cuts, along with working Americans, senior citizens, children, and students.

I make the following proposal. The Republican plan would provide a reduction of 17% in the Federal budget over the next seven years, exclusive of defense spending and Social Security. Reducing the \$4 trillion in tax subsidies by 17% would achieve savings of \$680 billion. If we applied the 17% reduction to only one-quarter of the tax expenditures, we would save \$170 billion—more than enough to provide the additional savings needed in the current impasse to balance the budget fairly in seven years. Surely it makes sense to reduce corporate subsidies by a similar percentage as programs that benefit working Americans and the poor are being cut.

Or, a number of specific corporate loopholes that are contrary to sensible national policy could be eliminated entirely to achieve the needed savings. It would make sense under this approach to focus specifically on tax subsidies that have the direct or indirect affect of encouraging American businesses to move transactions and jobs overseas. It is particularly offensive, at a time when large numbers of American workers are losing their jobs and being dislocated by changes in the economy, that the tax code is subsidizing corporations to move transactions and jobs overseas.

I urge you to appoint a task force of CEOs to put together a proposal by which tax entitlements would bear their fair share of needed budget reductions. I am ready to meet with this task force at any time to discuss your proposals. If you took this step, the balanced budget which we all support would be within our grasp almost immediately. Most importantly, the balanced budget would be achieved with equal sacrifice from all Americans, without destructive cuts to Medicare, Medicaid, education, and the environment.

I look forward to hearing from you that you are prepared to bear your share of the sacrifice in the name of fairness as we put America on a course of living within its means.

Sincerely yours,

EDWARD M. KENNEDY.

Mr. President, I ask unanimous consent that the two-page advertisement be printed in the RECORD at this point.

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

[From the Washington Post, December 19, 1995]

A BIPARTISAN APPEAL FROM BUSINESS LEADERS TO THE PRESIDENT OF THE UNITED STATES BILL CLINTON, HOUSE SPEAKER NEWT GINGRICH, SENATE MAJORITY LEADER BOB DOLE, SENATE MINORITY LEADER TOM DASCHLE, HOUSE MAJORITY LEADER DICK ARMEY, HOUSE MINORITY LEADER DICK GEPHARDT, AND ALL MEMBERS OF CONGRESS

Without a balanced budget, the party's over. No matter which party you're in.

There are moments in history when a single choice can mean the difference between vastly differing futures—one bright, the other dark. We believe that you, the political leaders of this country, are now confronting such a choice in your deliberations over a plan to balance the federal budget.

We are convinced that the health of our economy rests on your ability to avoid political gridlock and give the American people what leaders of both parties say they favor and, indeed, have agreed to—a credible plan to balance the budget. By "credible" we mean that such a plan should:

Use realistic projections that assume the fiscal and economic scenario developed by the Congressional Budget Office and reviewed by objective third parties:

Take no longer than seven years as the maximum time period by which a balanced budget would be achieved;

Ensure that the process of deficit reduction is achieved in roughly equal steps throughout these seven years, rather than "backloading" the politically difficult decisions into the next century; and

Have everything on the table, including long-term entitlement programs as well as the size and shape of any tax cuts.

Included among us are Democrats and Republicans, Liberals and Conservatives. What unites us in this appeal is our common concern for America's future.

All of us are leaders of institutions keenly sensitive to interest rates and the short- and long-term outlook for the U.S. economy. We believe that the recent decline in long-term interest rates and much of the boom in the stock market is directly predicated on the financial markets' expectation that a successful bipartisan budget-balancing compromise will be reached quickly, and that a credible long-term plan will be put in place in short order.

Federal Reserve Board Chairman Alan Greenspan recently observed: "If there is a shattering of expectations that leads to the conclusion that there is indeed an inability to ultimately redress the corrosive forces of deficit, I think the reaction would be quite negative—that is, a sharp increase in long-term interest rates . . . I think we would find that with mortgage rates higher and other related rates moving up, interest-sensitive areas of the economy would begin to run into trouble."

As you continue your negotiations, we ask you to reflect on the full consequences of success or failure. However Americans ultimately resolve our honest and principled disagreements over the size and scope of government, America must begin to live within its means.

The time for good economics as well as good politics is NOW.

America is waiting.

Respectfully yours,

PAUL ALLAIRE,

Chairman and CEO, Xerox Corporation.

RICHARD H. JENNETTE,

Chairman and CEO, The Equitable

Companies, Incorporated.

JON CORZINE,

Chairman and Senior Partner, Goldman, Sachs & Co.

PETER G. PETERSON,

Chairman, The Blackstone Group, President, The Concord Coalition.

M.R. GREENBERG,

Chairman and CEO, American International Group, Inc.

JOHN SNOW,

Chairman and CEO, CSX Corporation.

Chairman, The Business Roundtable.

This message has been paid for by the above named individuals and organizations.

[From the Washington Post, December 19, 1995]

COMMITTEE IN FORMATION

Duane L. Burnham, Abbott Laboratories.  
Paul H. O'Neill, Alcoa.

H. L. Fuller, Amoco Corporation.

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Lawrence A. Bossidy, Allied Signal Inc.

Richard de J. Osborne, ASARCO Incorporated.

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 Richard L. Thomas, First Chicago NBD Corporation.  
 Melvyn J. Estrin, FoxMeyer Health Corporation.  
 K. T. Derr, Chevron Corporation.  
 M. Thomas Moore, Cleveland-Cliffs Inc.  
 Philip J. Purcell, Dean Witter, Discover and Co.  
 William E. Butler, Eaton Corporation.  
 Paul M. Montrone, Fisher Scientific International Inc.  
 John B. Yasinsky, GenCorp.  
 Robert J. Eaton, Chrysler Corporation.  
 Richard L. Scott, Columbia/HCA Health Care.  
 John S. Chalsty, Donaldson, Lufkin & Jenrette, Inc.  
 Lee R. Raymond, Exxon Corp.  
 Jack B. Critchfield, Florida Progress Corporation.  
 John F. Smith, Jr., General Motors Corporation.  
 Stanley C. Gault, The Goodyear Tire & Rubber Company.  
 Frank A. Olson, The Hertz Corp.  
 Ralph S. Larsen, Johnson & Johnson.  
 A.J.C. Smith, Marsh & McLennan Companies, Inc.  
 Hugh L. McColl, Jr., NationsBank.  
 Charles R. Lee, GTE Corporation.  
 David A. Jones, Humana, Inc.  
 Paul S. Levy, Joseph Littlejohn & Levy.  
 Joseph L. Dionne, The McGraw-Hill Companies.  
 J. Roderick Heller, III, NHP Incorporated.  
 Warren Hellman, Hellman & Friedman.  
 Louis V. Gerstner, Jr., IBM Corporation.  
 Floyd Hall, Kmart.  
 Daniel P. Tully, Merrill Lynch & Co., Inc.  
 Stephen Berger, Odyssey Partners, L.P.  
 Thomas L. Gossage, Hercules Incorporated.  
 Frank E. Baxter, Jeffries & Co., Inc.  
 Henry R. Kravis, Kohlberg Kravis Roberts & Co.  
 Roger Milliken, Milliken & Company.  
 Willis B. Wood, Jr., Pacific Enterprises.  
 Donald B. Marron, Paine-Webber, Incorporated.  
 Hardwick Simmons, Prudential Securities, Inc.  
 Robert E. Denham, Salomon Inc.  
 Charles Lazarus, Toys 'R' Us.  
 Tony L. White, The Perkin-Elmer Corporation.  
 James P. Schadt, The Reader's Digest Association, Inc.  
 John H. Bryan, Sara Lee Corporation.  
 Joseph T. Gorman, TRW Inc.  
 H. William Lichtenberger, Praxair, Inc.  
 Donald R. Beall, Rockwell International Corporation.

Dana G. Mead, Chairman, National Assn of Manufacturers.  
 L. Dennis Kozlowski, Tyco International Ltd.  
 Arthur R. Ryan, The Prudential Insurance Company of America.  
 Wolfgang R. Schmitt, Rubbermaid, Inc.  
 A. C. DeCrane, Jr., Texaco Inc.  
 Dr. William H. Joyce, Union Carbide Corporation.  
 James A. Unruh, Unisys Corporation.  
 David R. Whitwam, Whirlpool Corporation.  
 Keith E. Bailey, The Williams Companies, Inc.  
 William R. Toller, Witco Corporation.  
 Al Moschner, Zenith Electronics Corporation.  
 This message has been paid for by the above named individuals and organizations.

Mr. KENNEDY. Mr. President, I noted, as I mentioned earlier, that this advertisement points out the responsibilities all of us have in reaching a balanced budget as a challenge to all of us here in the Congress, to the administration, and it is really a challenge to all Americans. It is one that we all should be mindful of, and I hope that our friends that were signatories to that proposal would also feel that in a sense of fairness and equity, they, too, would like to do their part. We invite them to be a part of the solution to this challenge that we are all facing at this time so that what is eventually proposed, which hopefully will have bipartisan support, will be able to be looked on as being fair to all Americans. It is in that spirit that these remarks are made.

I thank the chairman and the ranking member of the Armed Services Committee. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Mr. WARNER. Mr. President, I address this to the chairman and ranking member. Given the deteriorating weather and the need to have the vote tonight, the distinguished majority leader is quite amenable to leave the vote open for an extended period to accommodate a member or such Members that might be delayed.

Mr. THURMOND. Mr. President, I ask unanimous consent that we yield back time remaining on both sides and proceed to a vote, and we keep the vote open for 30 minutes after those present have voted.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, I would like to have an opportunity for the Members that are at the

White House to have an opportunity to come back. As I understand, the majority leader is willing to leave the vote open until they arrive. If it will just stay open.

Mr. THURMOND. That is all right.

Mr. NUNN. If the Senator would state it in a form that does not have a time limit.

Mr. THURMOND. That would be all right. I ask unanimous consent that the vote remain open until Members now at the White House have an opportunity to return to the Senate and vote.

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

Mr. WARNER. 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 PRESIDING OFFICER. The question is on agreeing to the conference report.

The clerk will call the roll.

Mr. JEFFORDS. Mr. President, on this vote I have a pair with the Senator from Texas, [Mr. GRAMM]. If he were present and voting he would vote "aye." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND], the Senator from Texas [Mr. GRAMM], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

Mr. FORD. I announce that the Senator from California [Mrs. BOXER] is necessarily absent.

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

The result was announced—yeas 51, nays 43, as follows:

The result was announced—yeas 51, nays 43, as follows:

[Rollcall Vote No. 608 Leg.]

#### YEAS—51

Abraham	Frist	Mack
Ashcroft	Gorton	McConnell
Bennett	Grams	Murkowski
Brown	Grassley	Nickles
Burns	Gregg	Pressler
Campbell	Hatch	Robb
Chafee	Heflin	Santorum
Coats	Helms	Shelby
Cochran	Hollings	Simpson
Cohen	Hutchison	Smith
Coverdell	Inhofe	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lieberman	Thompson
Domenici	Lott	Thurmond
Faircloth	Lugar	Warner

#### NAYS—43

Akaka	Exon	Kohl
Baucus	Feingold	Lautenberg
Biden	Feinstein	Leahy
Bingaman	Ford	Levin
Bradley	Glenn	McCain
Breaux	Graham	Mikulski
Bryan	Harkin	Moseley-Braun
Bumpers	Hatfield	Moynihan
Byrd	Inouye	Murray
Conrad	Johnston	Nunn
Daschle	Kennedy	Pell
Dodd	Kerrey	
Dorgan	Kerry	