

goods, we are redoubling our efforts to promote an open trading system in Asia, as well as in Latin America and the rest of the globe. I am, for instance, proposing increased funding for our trade promotion agencies, such as the Export-Import Bank, which strengthen our trade position. I am also asking for continued support for the bilateral and multilateral assistance to less-developed nations that can prevent humanitarian crises, as well as support for a strong American response to these crises.

Our military strength works in synergy with our foreign policy. Our forces defend our interests, deterring potential adversaries and reassuring our friends. My Defense Funding Initiative, a \$25 billion increase in defense spending over the next six years, marks the third time that I have raised defense spending above my initial funding plan in order to support and maintain the most capable military force in the world. I am determined to ensure a high level of readiness of U.S. military forces, to continue to improve the pay and quality of life for the men and women who serve, and to ensure that our forces are modernized with new systems that will be available near the end of the century.

#### MAKING GOVERNMENT WORK

None of our efforts can fully succeed unless we make Government work for all Americans. We have made great progress with the National Performance Review (NPR), which I established early in the Administration and which Vice President Gore has so ably run at my direction.

Specifically, departments and agencies across the Government have made substantial progress on each of the NPR's four themes: putting customers first, empowering employees to get results, cutting red tape, and cutting back to basics. The departments and agencies have established customer service standards and streamlined their operations. They also are working with my Office of Management and Budget to focus more on "performance"—what Federal programs actually accomplish. And they are doing all this while we are cutting the Federal workforce by 272,900 positions, bringing it to its smallest size since John Kennedy was President.

We also greatly improved the Federal regulatory system, opening it up more to public scrutiny. We plan to build upon our efforts, to make sure that we are protecting the public while not unduly burdening any one industry or group. We also overhauled the Federal procurement system, cutting mountains of red tape and enabling the Government to buy high-quality goods and services at lower cost.

Despite such progress, however, we are only beginning our efforts. I recently announced a major restructuring of the Departments of Housing and Urban Development, Energy, and Transportation, the General Services Administration, and the Office of Per-

sonnel Management. The budget contains details of these restructurings and our related proposals that affect hundreds of other programs.

In the coming months, the Vice President will lead Phase II of our crusade to reinvent Government—an effort to identify other agencies and programs to restructure or terminate, to sort out responsibilities among the Federal, State, and local levels of government, and to choose functions better performed by the private sector.

#### CONCLUSION

Our agenda is working. By cutting the budget deficit, investing in our people, and opening world markets, we have begun to lay the foundation for a strong economy for years to come. And by reinventing the Federal Government, cutting red tape and layers of management, we have begun to make Government more responsive to the American people.

This budget seeks to build upon those efforts. It seeks to spread the benefits of our economic recovery to more Americans and give them the tools to build a brighter future for themselves. It also seeks to continue our reinvention efforts—to eliminate or restructure agencies and programs, and to better sort out responsibilities among the Federal, State, and local levels of government.

These proposals will help us to create a stronger economy and more effective Government. I will ask for Congress's help in these efforts.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 6, 1995.

#### RESCISSION PROPOSALS OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT—PM 11

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Agriculture, Nutrition, and Forestry; the Committee on Commerce, Science, and Transportation; the Committee on Labor and Human Resources; the Committee on Banking, Housing, and Urban Affairs; the Committee on Environment and Public Works; the Committee on Small Business; the Committee on the Budget; and the Committee on Appropriations:

*To the Congress of the United States:*

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report 23 rescission proposals of budgetary resources, totaling \$1.1 billion. These rescissions, when combined with other discretionary savings proposals contained in the FY 1996 Budget, will reduce FY 1995 budgetary resources by \$2.4 billion.

The proposed rescissions affect the Departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Labor, and Transportation; the Environmental Protection Agency; the

National Aeronautics and Space Administration; the Small Business Administration; the Chemical Safety and Hazard Investigation Board; and the National Science Foundation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 6, 1995.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-359. A communication from the Chairman of the Board of the Panama Canal Commission, transmitting, pursuant to law, the annual report of the Commission relative to unaudited financial statements for fiscal year 1994; to the Committee on Armed Services.

EC-360. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, a fiscal year 1994 report relative to National Historic Landmarks which are damaged; to the Committee on Energy and Natural Resources.

EC-361. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the 1994 report of the Safety Research Program of the Nuclear Regulatory Commission; to the Committee on Environment and Public Works.

EC-362. A communication from the Chairman of the International Trade Commission, transmitting, pursuant to law, the quarterly report relative to trade between the United States and China for the period July-September 1994; to the Committee on Finance.

EC-363. A communication from the Chairman of the Board for International Broadcasting, transmitting, pursuant to law, the annual report on the Board's activities for fiscal year 1994; to the Committee on Foreign Relations.

EC-364. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report relative to foreign military sales customers; to the Committee on Foreign Relations.

EC-365. A communication from the Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, the 1994 annual report on U.S. Assistance and Related Programs for the Independent States of the Former Soviet Union; to the Committee on Foreign Relations.

EC-366. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the 1994 report of the Administration's compliance with the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-367. A communication from the Administrator and Chief Executive Officer of the Department of Energy, transmitting, pursuant to law, a 1994 annual report in compliance with the Chief Financial Officers Act with respect to the Federal Columbia River Power System; to the Committee on Governmental Affairs.

EC-368. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report relative to the Competition in Contracting Act for fiscal year 1994; to the Committee on Governmental Affairs.

EC-369. A communication from the Secretary of Labor, transmitting, pursuant to

law, notice of the award of a sole-source contract for the Cleveland Job Corps Center; to the Committee on Governmental Affairs.

EC-370. A communication from the Deputy Independent Counsel, transmitting, pursuant to law, a report relative to the Inspector General's Act; to the Committee on Governmental Affairs.

EC-371. A communication from the Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation to provide for the appointment of additional United States circuit and district judges, and for other purposes; to the Committee on the Judiciary.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. AKAKA:

S. 357. A bill to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HEFLIN (for himself and Mr. LOTT):

S. 358. A bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance; to the Committee on Finance.

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 359. A bill to provide for the extension of certain hydroelectric projects located in the State of West Virginia; to the Committee on Energy and Natural Resources.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA:

S. 357. A bill to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

#### REESTABLISHMENT OF THE FRIENDS OF KALOKO-HONOKOHAU

Mr. AKAKA. Mr. President, I rise today to reintroduce legislation to reestablish the Friends of Kaloko-Honokohau, an advisory Commission for the Kaloko-Honokohau National Historical Park located on the big island of Hawaii. Identical legislation passed both Houses during the 103d Congress, but failed to reach the President's desk before adjournment.

The advisory Commission was originally authorized for a 10-year period under the National Parks and Recreation Act of 1978, the bill which established the Kaloko-Honokohau National Historical Park. Unfortunately, since the National Park Service did not acquire a sufficient land base for park operations until October 1990, the 10-year period expired without the Commission being established.

My bill simply reauthorizes the Friends of Kaloko-Honokohau to com-

plete its original mandate. The Commission will advise the Director of the National Park Service on historical, archaeological, cultural, and interpretive programs for the park. Particular emphasis will be given to the demonstration of traditional native Hawaiian culture.

Mr. President, Congress intended Kaloko-Honokohau Historical Park to be dedicated to the preservation and perpetuation of traditional native Hawaiian culture and activities. The reestablishment of Friends of Kaloko-Honokohau is a necessary step in achieving this goal.

By Mr. HEFLIN (for himself and Mr. LOTT):

S. 358. A bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance; to the Committee on Finance.

#### TAX TREATMENT OF AIR AMBULANCE FLIGHTS CLARIFICATION ACT

Mr. HEFLIN. Mr. President, today I introduce S. 358, a bill which will clarify the tax treatment of air ambulance flights.

The purpose of an air ambulance is to transport critically ill or injured patients quickly and with the appropriate level of care between hospitals or from roadside accidents to emergency rooms. Nearly 70 percent of all air medical transports originate in rural locations. Since air ambulances are reimbursed for providing their services, though, they are considered charter operators, and therefore, must pay the Federal aviation excise tax.

The need for this legislation is evident when you consider that nearly half of all air medical flights are reimbursed from Government programs such as Medicare, Medicaid, Champus, or State programs. In effect, this means that the tax revenue generated is simply one Government agency paying a tax to another with an air ambulance program acting as tax collector. Commercial airlines can pass this tax on to its paying customers, but for transportation on an air ambulance, this tax is passed on to the payor even if that payor is another Government program such as Medicare.

Furthermore, even though the total portion of tax revenue generated by air ambulances is small compared to airlines, approximately 45,000 covered air medical transports compared to 500 million commercial and charter passengers, the financial and administrative burden on air ambulance administrators is significant.

I do not believe that it was the intention of Congress, when this tax was drafted, for critically ill or injured patients, or those paying their health costs, to support the aviation trust fund. My bill will correct this obvious oversight by reducing the administrative burden on air medical programs. Its impact on Federal revenues is only slight. Its impact on access to rural

health care however is significant. Therefore I urge my colleagues to support this legislation.

Mr. LOTT. Mr. President, I am pleased to join as a cosponsor of Senator HEFLIN's legislation that would clarify the tax treatment of air ambulances transporting the critically ill and injured.

The role of air medical services continues to grow as the number of rural and community hospitals continue to close. Air ambulances provide the vital service of transporting patients needing a higher level of trauma or emergency care to the appropriate medical facility. This is particularly important in rural areas where the availability of appropriate medical care is always a concern.

Air ambulances transport approximately 45,000 patients annually that must pay the Federal aviation excise tax. Nearly half of these patients are covered by Federal or State health care plans, such as Medicare. Therefore, approximately 50 percent of the time, this tax results in one Government program paying a tax to another.

Not only do I support the role of air medical services in my State, but I also question the logic of the Federal Government paying a tax to itself. Preliminary estimates indicate that the cost to the aviation trust fund would be approximately \$10 million, with nearly half that amount coming from other government health care programs.

I urge my colleagues to support this bipartisan legislation. It makes no sense to charge an excise tax on those that are critically ill or injured.

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 359. A bill to provide for the extension of certain hydroelectric projects located in the State of West Virginia; to the Committee on Energy and Natural Resources.

#### NEW MARTINSVILLE FERC LICENSE EXTENSION

Mr. BYRD. Mr. President, I introduce, on behalf of Senator ROCKEFELLER and myself, a bill to grant the city of New Martinsville, WV, a 4-year extension to its Federal Energy Regulatory Commission [FERC] licenses to begin construction of two hydroelectric power projects at New Cumberland and Willow Island on the Ohio River. These projects are to be financed by the city of New Martinsville through the sale of municipal bonds. This extension is necessary because the city has already invested over \$4 million in these projects. The hydroelectric projects take advantage of existing Army Corps navigation dams on the Ohio River in order to generate power, and also will include the development of recreational facilities. Without any contribution from the Federal Government, the city of New Martinsville will finance projects that will include fishing piers, underwater reefs, walkways, picnic facilities, and parking areas.