

determine the costs and benefits of regulation. It will also improve the consistency and risk assessment across Federal agencies.

In a related vein, the bill modifies the much-criticized Delaney clause of the Federal Food, Drug and Cosmetic Act. The Delaney clause requires that no processed foods, products containing a color additive or animal drug may be sold unless they do not contain even trace amounts of materials that have been demonstrated to cause cancer to humans or animals. That may have sounded good in the abstract, in reality it has become a burdensome rule that does not further the health and safety goals that it was designed to address.

Let us take food, for example. Given modern technology, it is possible to detect the smallest amount of chemicals in food. When Delaney was enacted, it was parts per thousand. Today it is parts per quadrillion that we can actually determine. Under the Delaney clause, those materials cannot be included, the smallest amounts of chemicals in food, if they are carcinogenic, in any amounts or under any circumstances, even though there is basically no risk in eating the food.

The problem is that many materials may be carcinogenic only if given in extraordinarily large doses and may be carcinogenic in animals for reasons for which there is no comparable reaction in humans. In this way, the Delaney clause has irrationally forbidden the inclusion of even trace amounts of materials in foods, even when scientists unanimously agree that there is absolutely no harm to humans from its consumption.

The scientific evidence has shown us the Delaney clause, despite its laudable goals, does not really work in practice. That is why we must modify it in this bill. In addition to the substantive reforms, this bill also includes several review provisions to ensure openness and accountability in the regulatory process.

The congressional review process, for example, provides Congress with an ability to stop a proposed rule if it disapproves of that rule. This gives Congress the opportunity to examine those rules before they take effect and do the harm. If within 60 days of the rule's adoption both Houses vote to disapprove the rule, and the President agrees, the rule will not be effective.

The effective dates of major rules are also held off for those 60 days during the congressional review period. This provision maintains a congressional role in the regulatory process and adds another guarantee that regulators will be held accountable for their actions. In addition, a separate type of review is involved to ensure that agencies conduct their own periodic review to fix outdated and insufficient or inefficient regulations.

Agencies, it seems to me, have an obligation to keep their regulations current. Under this provision, agencies would promulgate a list of existing regu-

lations that the agency feels are appropriate for review, along with a schedule for agency review of those regulations, over a 10-year period. The agency must apply the cost-benefit analysis to the rule and then decide whether to extend, modify, or rescind the rule. Any rules in the schedule that are not acted on in accordance with the agency schedule would automatically expire.

In addition, the bill includes a petition process, whereby any interested party may seek to get a major rule review. An agency must grant the petition. If the agency finds a reasonable likelihood that the rule would not meet the cost-benefit test to ensure correct decisionmaking, the agency's decision is then subject to judicial review. Through these processes, a petition can be filed to challenge an existing rule to ensure that it satisfies the cost-benefit and risk-assessment standards.

The agency itself also has the duty to ensure that its current rules satisfy those standards. This keeps the agency accountable to the public, gives the American people a role in the process, and ensures that all rules continue to be justified.

Finally, accountability of Federal regulators is further guaranteed through a judicial review. Perhaps the most important provision in the bill is the provision permitting judicial review of agency action. By allowing courts to enforce the requirements of the bill, the bureaucrats will be accountable in court for their actions.

Unfortunately, the way things stand today, the bureaucracy is out of control. Those who churn out regulations day after day should, just like every other American, be accountable for their actions. Without this important judicial enforcement mechanism, and without the other review provisions, this bill would be a little more than a weak statement of policy. The added review makes this bill a powerful tool to reshape the Federal agencies.

Now, Mr. President, in spite of everything, there are still those who oppose this bill and defend inefficient, irrational agency regulations. The opponents of this bill have only one weapon with which to attack, and that is fear. I expect that opponents of the bill will lay out a litany of unknown horrors that, according to them, only unbridled bureaucracies will somehow be able to handle.

These scare tactics are nothing more than that, tactics to derail these needed reforms. They have nothing to do with the reality of the bill and everything to do with preserving big Government.

The fact is that this bill will only change inefficient regulations and require that rules be updated so that they remain efficient. Let me be perfectly clear that this bill will not prevent agencies from protecting Americans from unsafe drugs, unsafe workplaces, polluted air and water, or dis-

crimination. It will not prevent agencies from responding to disasters when and where the Government's help is needed. Rules that truly add to society are completely secure under this bill.

Mr. President, in conclusion, let me just say that too much of anything, even a good thing, is bad. Federal regulation has reached that point. The Comprehensive Regulatory Reform Act of 1995 is the response to a bureaucracy run wild.

It is the response we must make to a bureaucracy that no longer sees the American taxpayer and American business, especially small business, as clients to whom Federal agencies should be accountable. It is the response we need to restore the balance between costs and benefits, between protection and freedom.

Those rules that truly provide a benefit to the country will remain on the books. This bill does not backdoor repeal a host of other statutes, many of which I voted for, by preventing agencies from issuing regulations.

But the senseless regulations that create more problems than they solve must either be fixed or scrapped.

The neighborhood grocer in south central Los Angeles, the rural Utah county landowner, the farmer in Kansas, the auto manufacturer in Detroit, or the university in Pennsylvania, have all just had it up to here with regulation and with overregulation. All Americans are united in their frustration with an unresponsive, inflexible, inefficient and overweight Federal bureaucracy.

If the 1994 elections told us anything, it was that the American people are fed up. The number and scope of Federal regulations are just additional indications that Government has gotten too darn big.

This bill is as direct an answer as we can give to their pleas that we can, in fact, control the Federal Government, not be controlled by it.

I urge my colleagues to support this important bipartisan, commonsense initiative. I thank my colleague from South Carolina and my friend from Delaware for being patient as I delivered these few remarks.

THE PRESIDING OFFICER. The Senator from Delaware [Mr. ROTH] is recognized.

COMPREHENSIVE REGULATORY REFORM ACT

The Senate continued with the consideration of the bill.

Mr. ROTH. Mr. President, the suggestion has been made on this floor earlier today that regulatory reform is primarily a matter of trying to satisfy the needs of special interests. Nothing could be further from the truth. I think it is fair to say that is recognized on both sides of the political aisle.

I was pleased to note that the distinguished ranking member of the Governmental Affairs Committee and former chairman, Senator GLENN from

Ohio, in his opening statement noted that

... when the press writes about what happened on the floor today, they [should] get away from the idea that this is the ultimate in confrontation, which seems to be what the questions lead to when we go out of the Chamber—talking about regulatory reform—because, today, I would hope the message would go out that we are united in the Senate of the United States, Democrat and Republican, on one thing: We need regulatory reform.

Those words are echoed by the distinguished senior Senator from Michigan, who is also a member of the Governmental Affairs Committee, in his remarks yesterday on the floor of the Senate. He said:

Let me commend all those involved in this effort. It is a very complicated effort, and most importantly perhaps, an essential and bipartisan effort.

He goes on later in his statement to say that:

We need regulatory reform. We must have cost benefit analysis. We need risk assessment. But we also need to be sure that what we are achieving protects, in a sensible way, the environment and the health and the safety of the people of the United States.

With that, I can strongly agree. And I would agree with those who have said that our air is cleaner, our water is cleaner and safer, and our environment is better because of many of the regulations. But, at the same time, there has been recognition by many that the regulatory maze does not work in the best interests of environmental protection or good government generally.

Mr. President, yesterday I stood to speak on behalf of the Dole-Johnston compromise. I outlined how this legislation, S. 343, the Comprehensive Regulatory Reform Act of 1995, is a real and workable solution to the overbearing Government regulation that threatens America's future.

I cited the costs of such regulation and the need to restore balance to the regulatory process.

And I explained that I support this legislation because it will make the Federal Government—our regulatory agencies—more efficient and effective in carrying out their responsibilities.

The simple fact is, Mr. President, that if we reduce Government waste and inefficiency, we ultimately will improve, not hinder, Government programs, including environmental protection efforts. If we reduce the costs of regulation, we have greater resources to do more good than before.

For example, it has been estimated that a reallocation of resources to more cost-effective programs could save an additional 60,000 lives per year at no additional cost, or the same number of lives we are currently saving could be saved for \$31 billion less. So I think it is only fair to say that there is plenty of room to improve our regulatory system.

I personally could not support an effort to gut environmental protection. But strong reform is something I can support. To say that the benefits of

regulation should not justify its costs is to argue for irrational and wasteful regulation.

Senator DOLE's compromise bill broadly defines benefits and costs. It is not a black-box approach that reduces everything to dollars and cents. This bill allows agencies to consider non-quantifiable benefits and costs. And the definition of benefits expressly includes favorable environmental and social effects. The agencies are given leeway to consider all of the benefits and costs that are relevant to making a responsible regulatory decision.

Mr. President, there is another important reason why I support this legislation. I support it because I am concerned that the rising costs of regulation are undermining the faith of the American people in Government; I believe these overbearing costs are, in a very real way, undermining support for the environmental movement. Americans treasure the beauty of this country; they value a clean environment.

But in last November's elections, the American people also clearly demanded a government that is balanced—a government that is dedicated to common sense and workable solutions in achieving environmental protection and economic security. In short, they demanded a government that is efficient and effective.

I believe our countrymen are right to demand this fundamental change, and all of us involved in the current debate must respond to their request. We must recognize that we cannot regulate a totally risk-free world or remove every last molecule of pollution.

But we can, and should, use our resources wisely to achieve the greatest benefits at the least cost. We can, and should, continue to be a world leader in environmental protection while still having a healthy economy and a high standard of living.

We have reached a point where there is broad and bipartisan support for regulatory reform and the tools to achieve it. In his thoughtful book, "Breaking the Vicious Circle: Toward Effective Risk Regulation," Justice Stephen Breyer analyzes our regulatory system and concludes that it badly prioritizes the health and environmental risks we face.

In the June 1993 Carnegie Commission Report, "Risk and the Environment: Improving Regulatory Decision Making," a distinguished and bipartisan panel of experts concluded that the Nation must develop a more comprehensive and integrated decision-making process to set priorities and regulate risks.

President Clinton's chief spokesperson on regulatory reform, Sally Katzen, the Administrator of OMB's Office of Information and Regulatory Affairs, submitted a statement to the Governmental Affairs Committee on February 7, 1995, saying:

Regrettably, the regulatory system that has been built up over the past five decades * * * is subject to serious criticism * * * [on

the grounds] that there are too many regulations, that many are excessively burdensome, [and] that many do not ultimately provide the intended benefits.

My friend, George McGovern, a well-known liberal throughout his political career, also testified before my committee about the urgency of regulatory reform. George recounted his experience as a small businessman running an inn after he retired from the Senate.

He described how a venture as harmless as running an inn was so burdened by a multitude of complicated and irrational regulations that it failed. he concluded:

Doubtless most of these regulations that we chafe under have some benefit. They do benefit somebody; either the public or someone benefits from them in some way. But the big question is are those benefits more than equal to the costs and burdens they place on business, especially small businesses.

Justice Breyer, the Carnegie Commission, the Clinton administration, and George McGovern are only a few of the authorities that have recognized the need for regulatory reform. Others include Resources for the Future, the Harvard Center for Risk Analysis, the Brookings Institution, the American Enterprise Institute, and other think tanks, commissions, and independent scholars throughout the country.

Without significant reform, the costs of regulatory will only continue to grow. As has already been mentioned on the floor, the total annual cost of Federal regulations has been estimated by Prof. Thomas Hopkins at \$560 billion in 1992; it is expected to rise another \$100 billion by the year 2000. About 75 percent of that cost increase is due to new risk regulations.

These rising regulatory costs have a serious impact on America and the quality of life of our families, businesses, and communities. Let me give you an example: under the Clean Air Act, the State of Delaware was required to implement an enhanced inspection and maintenance—or I/M—program this year.

EPA mandated this program, stating that it would result in significant pollution reductions. However, Delaware environmental officials ran their own data and found that this program would do little to improve air quality in our State. The small reduction in pollution would be overshadowed by high costs and consumer inconvenience at the auto inspection lanes. Delaware has come up with an alternative test that meets the Clean Air Act requirements but is much less costly.

This regulatory reform bill would prevent the EPA from mandating burdensome requirements such as the I/M test to the States without making sure that the benefits justify the costs.

The problem is, these costs have not been adequately scrutinized in the past. No doubt one reason for this neglect is that these regulatory costs were not constrained by a budget. The decisions to create new regulatory programs typically do not include the kind of serious debate about cost that

is required to create new on-budget programs.

Another reason why we have neglected regulatory costs is that most regulations are imposed directly on businesses and governments. This creates the perception that regulatory programs provide free benefits to the public—in contrast to tax-and-spend programs.

But the costs of regulations are not simply absorbed by businesses and governments. These costs, of course, are passed on to the American consumer, wage earner, and taxpayer in the form of higher prices, diminished wages, increased taxes, or reduced government services. It is not just big corporations that are being hurt by red tape and bureaucracy; it also is the Federal Government, State, and local governments, small business, and the American public. As I have said, Federal regulations cost the average American household about \$6,000 per year.

Equally important, we never see the factories not built, the products not made, ah entrepreneurial dreams not realized because, as in the case of George McGovern, they were drowned in the sea of regulatory process. Without a doubt, rising regulatory costs, limited resources, and a desire to preserve important protections and benefits all necessitate a smarter, more cost-effective approach to regulation.

Early in this session, I emphasized the need to achieve bipartisan consensus on reforming the regulatory process. I congratulate the majority leader for forging that consensus around his bill with Senators BENNETT JOHNSTON and HOWELL HEFLIN.

Back in February, when I chaired a series of hearings on regulatory reform, Senator DOLE came to the first hearing to express his strong desire to restore some common sense to the regulatory process. The leader's commitment to that goal has been critical to the consensus that this bill represents. I also want to thank my other colleagues for their efforts—including BENNETT JOHNSTON, ORRIN HATCH, HOWELL HEFLIN, FRANK MURKOWSKI, KIT BOND, DON NICKLES, and many others for their significant contributions.

The Dole-Johnston compromise bill is aimed at restoring common sense to the regulatory process. I share this goal, along with many Members of the Senate on both sides of the aisle. Indeed, there have been a number of recent initiatives in the Senate to reform the regulatory process. I introduced S. 291, the Regulatory Reform Act of 1995, early in this Congress. S. 291 was a good proposal for regulatory reform, and was unanimously endorsed by the 15 members of the Governmental Affairs Committee. Senator MURKOWSKI also introduced S. 333, a risk assessment bill, that was approved by the Energy Committee.

This floor vehicle is an amalgamation of Senator DOLE's S. 343, which Senator HATCH guided through the Judiciary Committee, with S. 333 and S.

291. Indeed, as the author of S. 291, I can tell you that the major provisions of S. 291 are reflected in the Dole compromise bill. These provisions include:

Cost-benefit analysis: The benefits of a regulation must justify its costs, unless prohibited by the underlying law authorizing the rule.

Market-based mechanisms and performance standards: Flexible, goal-oriented approach are favored over rigid command-and-control regulation.

Review of existing rules: Old rules on the books must be reviewed to reform or eliminate outdated or irrational regulations.

Risk assessment: Agencies must use sound science to measure and quantify risks to the environment, health, or safety.

Comparative risk analysis: Agencies must set priorities to achieve the greatest overall risk reduction at the least cost.

Reform of the Regulatory Flexibility Act: The Regulatory Flexibility Act is strengthened to make agencies more sensitive to the impact of regulations on small businesses and small governments.

Congressional review of rules: Rules will not become effective until they are reviewed by Congress. Congress can veto irrational or ineffective regulations.

Regulatory accounting: The Government must compile the total costs and benefits of major rules.

Like S. 291, the pending Dole-Johnston amendment has limited judicial review so agency rules will not be invalidated for minor procedural missteps. However, it also improves upon S. 291 by having a more focused cost-benefit test. Regulators must directly set regulatory standards so that the benefits of a rule justify its costs, unless prohibited by the law authorizing the rule.

This bill does not override existing law. If the underlying statute does not allow for a regulation whose benefits justify its costs, the Dole-Johnston compromise merely asks the regulator to select the least-cost option among the alternatives allowed by the underlying statute.

This should not be a radical idea. I do not believe that the American people think it is radical to ask that the benefits of regulations justify their costs.

I urge my colleagues on both sides of the aisle to support the Dole-Johnston compromise to put common sense back into our regulatory process. Our goal in crafting reform should be to strike a balance that is strong but workable. We should keep that goal in mind as the final vote approaches. The floor vehicle may not be perfect, but it is a crucial step forward. I congratulate all those who have played a bipartisan role on this important issue.

Mr. President, I yield the floor.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). Who seeks recognition? The Senator from Michigan [Mr. ABRAHAM].

Mr. ABRAHAM. I thank the Chair.

I rise today, Mr. President, to urge my colleagues to seize the historic opportunity we now have to reform the regulatory process. In my judgment, we can and must reform this process so that we may reduce the regulatory burden on American businesses and consumers.

Certainly, we can all agree that some regulation is needed to protect human health and safety and preserve the environment. But all too often the cost of regulation far exceeds the benefits. Too many regulations impose huge costs on our economy and people while providing little if any benefit.

Excessive regulation constitutes a hidden tax on America. It adds to the price of everything from paint to potato chips and, by increasing costs for our State and local governments, ends up raising direct taxes as well.

Mr. President, the tide of regulation in this country is high and it is rising. If left unchecked, it threatens to drown our economy in a sea of red tape.

Consider the following:

First, excessive regulation imposes an enormous burden on our economy.

A recent GAO analysis of existing academic literature found that regulation in 1994 cost \$647 billion. According to Wayne Crews, of the Competitive Enterprise Institute:

Looked at differently, that is more than the entire economic output of Canada or more than the combined GNP's of Australia and Mexico.

Or, put another way, an amount greater than all U.S. pretax corporate profits combined, which were \$456.2 billion in 1993.

In other words, the cost of regulation in 1994 was estimated to be more than all of the corporate profits of every corporation of this country. Here on the floor of the Senate, we often hear talk about corporate profit taking, corporate profiteers, and so on. I think this puts in perspective how costly regulations have become in our country.

The second point that needs to be made is the size of Government bureaucracy has increased to record levels under the current administration. According to the Center for the Study of Americans Business, the number of bureaucrats devoted to implementing regulations was 124,648 in 1995, an all-time record. The center has also calculated that the amount of Government spending on regulatory programs was \$11.9 billion, the highest amount ever spent to run the regulatory apparatus.

Third, the number of pages in the Federal Register, the document in which all new regulations are published, was 64,914 in 1994, the highest since 1980.

Fourth, and perhaps most disturbing of all, the cost of Government regulation per American family is now \$6,457 a year. Combined with the cost of taxes per household, the total cost of Government per family today is almost \$20,000.

Now, according to the Americans for Tax Reform, in 1994 the average American had to work full time until July 10 to pay his or her share in the combined cost of Government taxes and regulations, a week longer than was the case in 1990. And that is not the only issue. Like any other tax, regulations raise the cost of consumer goods and services, lower wages, and increase unemployment. Regulations dampen investment and reduce technological innovation.

But the facts and theory do not tell the entire story. So let me share with you a few stories from my State of Michigan that illustrate the problem with Washington's excessive and overreaching regulatory system. Take, for example, the impact of the EPA's recent regulations governing the use and removal of lead-based paint on bridges. Because of this regulation, the toll on cars to cross the Mackinac Bridge in the Upper Peninsula of Michigan—and this connects the Upper and Lower Peninsula—is currently \$1.50, one-third more than it would otherwise be.

There is a story behind this as told by Burton Fulsom of the Mackinac Center for Public Policy:

For nearly 30 years after the Mackinac Bridge was completed in 1957, it was painted with a lead-based paint. Every 9 years or so, it was sandblasted and repainted. . . . To comply [with the EPA's paint regulation], the Mackinac Bridge Authority will soon be removing the bridge's paint by a process called "enclosure," whereby the structure is cleaned with a tent-like covering to keep paint chips from falling into the water or blowing onto populated areas. The cost of the "enclosure" is staggering: Nearly \$50 million, which the Authority wants to pay for by budgeting \$2.2 million each year for the next 21 years. . . . Unfortunately, this "enclosure" scheme is a huge—

Huge and very questionable—
spending of money.

No one has ever documented any harm caused by paint chips falling off the Mackinac Bridge. The greater risk, in fact, may be to workers [who will be within the enclosures] inhaling the paint particles or having accidents during the enclosure process.

Mr. Fulsom further notes that the expenses and risks of EPA's mandated paint removal process are being undertaken despite the fact that the health risk from lead has been dramatically reduced.

For example, the Department of Health and Human Resources reports a sevenfold drop in national levels of lead in human blood in the last 25 years. Further, Lakes Michigan and Huron are up to four times cleaner than they were 25 years ago. And finally, as Mr. Fulsom has pointed out, most of the lead paint problem was from paint inside buildings, not outside, and especially not from the bridges.

Mr. President, this is a prime example of a rule promulgated by Washington bureaucrats that is too far reaching and that will produce little if any environmental gain but still will impose great costs on the citizens and

businesses of Michigan's Upper Peninsula. Sometimes regulatory agencies actually demand that more dangerous procedures be used merely in order to protect the agency's power and authority.

To take another example from Michigan: The sediment on the bottom of Lake Michigan's Manistique Harbor contains quantities of PCB's. These contaminants can be cleaned either by capping them with a layer of clay or by dredging them up and out of the harbor. Capping would cost about \$3.5 million. Dredging would cost nearly \$15 million. Separate studies conducted by the EPA and private parties both concluded that capping would protect the environment better than dredging, which necessarily would stir up and release the PCB's into the harbor. Because capping is obviously the most cost-effective remedy, Michigan's Governor, John Engler, and the Michigan Department of Natural Resources and the Manistique local government, State representatives, and our congressional delegation all expressed support for capping rather than dredging the PCB's in the harbor.

Yet, for months on end, the EPA indicated it would require that the harbor be dredged. The EPA generally prefers dredging over capping, and an internal EPA memorandum states that allowing the harbor to be capped would set a "risky precedent." Adherence to this position would bankrupt the Manistique economy, putting many people in the community out of work; all this while actually increasing PCB contamination.

Fortunately, it now appears that the EPA will allow the harbor to be capped, but this comes only after Manistique businesses incurred enormous legal fees and after I and the other members of the Michigan delegation repeatedly expressed our vehement opposition to dredging the harbor. Absent those extraordinary circumstances, there is no doubt that the EPA would have required that the harbor be dredged. Here then was one near miss in terms of regulatory overreach. But even if the regulations and their interpretations were rational, the cost of conforming with EPA paperwork requirements would still be staggering.

In yet another example, Kent County, MI, recently spent \$300,000 on EPA-ordered work at a closed landfill. Of that amount, \$80,000 was strictly for the cost of preparing reports for the agency. This means, Mr. President, that the taxpayers of Kent County, MI, paid \$80,000, more than a quarter of the full cost of compliance, merely for paperwork filing. Nationwide, individuals and businesses spent about \$200 billion to process paperwork and to pay legal and accounting fees, according to economist Thomas Hopkins from the Rochester Institute of Technology.

Mr. President, the need to lift the excessive red tape burden on America's small businesses—which are engines of job creation in our economy—is per-

haps the most compelling reason for regulatory reform. Because of huge administrative and paperwork costs, regulation is disproportionately a burden to small- and medium-sized businesses. Small businesses simply do not have the resources to absorb the direct costs of regulation or hire lawyers, consultants, lobbyists, and accountants to comply with paperwork requirements. Indeed, complying with Government regulation has replaced making a profit or a better product as the primary concern of many of America's small business people.

According to a recent Arthur Andersen survey of 1,000 mid-sized businesses, 52 percent said Government regulation was their biggest challenge, while only 18 percent said turning a profit.

Mr. President, it seems clear, in my judgment, that regulations often unnecessarily distort business decisions. They make business people put their resources into filing paperwork instead of making profits. This increases product prices, reduces consumer choice, lowers quality, and even causes some businesses not to hire new workers. The Center for the Study of American Business provides real world examples of the negative consequences of regulation on job creation. Dr. Murray Weidenbaum of that center reports that:

World Class Process Inc., a new and growing Pittsburgh processor of flat-rolled steel coils, has increased its work force to 49. According to the company's chief financial officer, "We are going to keep it at 49 as long as we can," in order to avoid being subject to the 50 or more employees threshold for coverage under [various programs such as the Family Leave Act.]

Similarly, other studies indicate that firms are using 50 employees or other similar numerical limits as a basis to avoid various paperwork requirements of the Federal Government.

Mr. President, this does not help our economy. I submit we no longer can afford to ignore the concerns of small businesses. I understand that there will be amendments offered to our regulatory reform bill by Senators DOMENICI and BOND to ensure that the needs and certainly the problems of small business are adequately represented in the regulatory process. I will certainly support those efforts and urge my colleagues to do the same.

Mr. President, we have already begun to act with a new awareness to solve the problem of overregulation. Our legislation, in regard to unfunded mandates, which was passed and signed into law earlier this year, is a case in point. Through it, we recognized that Federal demands bring costs with them, and that these costs do not necessarily represent the best use of a city's, State's, or business' money.

But the most important step we can take to stem the tide of regulation, in my view, is the regulatory reform bill we will be debating. This bill will require rules to be cost-effective and require agencies to use sound science in assessing dangers to the public. It will

help prioritize risks, thereby targeting the use of our resources toward those activities and substances that pose the greatest risks. It will see to it that agencies take all pertinent information and all viable options into account before increasing the regulatory burden on the American people.

When combined with the unfunded mandates law, this regulatory reform bill will do much to free the American people from unnecessary regulations. In this way, it will increase consumer options, lower prices, increase productivity and, most important, increase the amount of freedom enjoyed by the American people.

Mr. President, in closing, I want to congratulate the majority leader and Senators HATCH, ROTH, NICKLES, MURKOWSKI, JOHNSTON, and others for their efforts in putting together this compromise measure. I believe there are provisions in this bill that could have been much stronger, such as the decisional criteria, judicial review, and sunset provisions, but I believe we have worked very conscientiously and in good faith on both sides to move us to the point of completing a very important piece of legislation, and I applaud those who have been central to those discussions.

It is my hope that ultimately we will have the kind of strong bill come out of our final deliberations and conference that will create the proper balance between the necessary health and safety and environmental needs of the American people, on the one hand, and the freedom and liberty that we all seek for our country on the other.

Mr. President, I yield the floor.

BUDGET RESOLUTION

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the Senate now begin controlled debate on the budget conference report, and when the Senate receives the conference report, the time consumed be subtracted from the overall statutory time limitation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak as in morning business, and the time I consume not be charged.

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

Mr. FEINGOLD. I thank the Chair.

(The remarks of Mr. FEINGOLD pertaining to the introduction of S. 983 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, are we on the resolution?

The PRESIDING OFFICER. Yes, we are debating the conference report. The

Republicans have 2 hours 18 minutes. The Democrats have 2 hours 42 minutes.

Mr. DOMENICI. Mr. President, I want to speak for a moment to the offices of our Republican Senators. We have 2 hours 18 minutes and, hopefully, we are going to vote on this around 5 o'clock. I would even like to yield back some of our time. I will not do that until we have explored that with our Senators.

Senator COATS is going to speak now. The Senators that have asked me to speak—and I will confirm this now and if they or their administrative assistants would let us know if they will—are Senators NICKLES, STEVENS, MURKOWSKI, SNOWE, HELMS, COVERDELL, HUTCHISON, LOTT, BOND, GORTON, and DEWINE. Are there any others who would like to speak? And of these that I mentioned, could they call and tell us how much time they would like? Senator THOMAS is on the list now, too. I would like each Senator not to take more than 10 minutes. Does the Senator from Indiana need 15 minutes?

Mr. COATS. I do not think I will need more than that.

Mr. DOMENICI. I yield 15 minutes to the Senator from Indiana.

Mr. COATS. Mr. President, first, I want to take this opportunity to congratulate Senator DOMENICI and Congressman KASICH and the budget conferees for producing a historic blueprint that reprioritizes our Federal spending. It is a monumental piece of work, and they deserve a great deal of congratulations for the tireless efforts they put into producing this document.

Finally, Congress, under the leadership of Republicans, has delivered on a solemn promise made to the American people to balance the Federal budget. I am particularly pleased that the conferees recognized that they were able to balance the budget and provide family tax relief and economic growth incentives. These were once described as "mutually exclusive goals." We have demonstrated by the budgets brought forth in each body, and resolved in conference, that they are not mutually exclusive goals. Meeting these objectives will ensure that our economy continues to thrive and our families find real relief, even as Federal spending is restrained.

Mr. President, there is courage in this budget—courage that I do not believe we have seen for decades, courage that makes this a historic moment. But I think if we are honest, we have to admit that it is courage without alternatives. The status quo may be comfortable for the time being, but it is not sustainable. The road that we have been marching down for these last several years has been wide and has been easy and has been politically pleasing; but that road ends with a precipitous drop into an abyss, from which this country may not recover. I think there has been a recognition of that, and that recognition has produced this document which we are debating today.

The figures are familiar, but they have not lost their power to shock. Our national debt currently stands at \$4.8 trillion, which translates into \$19,000 for every man, woman, and child in this Nation. And that figure as projected, if we do nothing except retain the status quo, will jump to \$23,000 for every man, woman, and child by the year 2002. If we ignore this crisis, if we ignore this reality, a child born this year will pay \$187,000, or more, over his or her lifetime just in interest on the national debt. That is unacceptable. We have recognized that as unacceptable, and we now bring forth a plan designed to address that very problem.

This argument for immediate change and immediate restraint is simple. It is one of the highest moral ideals and traditions in this Nation for parents to sacrifice for the sake of their children. It is the depth of selfishness to call on children to sacrifice for the sake of their parents. If we continue on the current path, we will violate a trust between generations, and we will earn the contempt of the future, and we will deserve that contempt.

What we are doing is wrong. It has been virtually immoral. It has violated a fundamental tradition and value that, I think, most Members hold to.

Now, there is no doubt that we need cuts in Government to balance the budget. But there is another reason. We need cuts in Government because Government itself is too large—too large in our economy, too large in our lives. Even if the books were balanced today, even if we faced no budget deficit, we would still need to provide a sober reassessment of the Federal Government's role and reach in our businesses, in our daily lives. This is not just a matter of money alone. We require cuts in Government because endless, useless, duplicative programs should not be reinvented, as the administration defines it. They should be eliminated.

We reject the vision of a passive Nation, where an arrogant Government sets the rules. We want to return not only to an affordable Government, but to a limited Government. Those limits will help unleash limited potential of our economy and of our people.

Now, the votes that we will make, or have to make in implementing this budget through the appropriation process and the reconciliation process, will likely be some of the toughest votes that any elected Member of Congress has ever been asked to cast.

If we are honest, again, most of those votes would not be tough calls for the people that we represent. They would not be tough calls for most Americans, though they seem momentous here as we look at it and try to weigh the political consequences.

But that is not what I find as I travel through Indiana. When I talk to the men and women of Indiana, they see what we are doing as a minimal commitment to common sense. A minimal commitment to doing what we should