

TRIBUTE TO LAKELAND
ELEMENTARY SCHOOL

HON. ESTEBAN EDWARD TORRES
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1996

Mr. TORRES. Mr. Speaker, I rise today to pay tribute to Lakeland Elementary School in Norwalk, CA. Lakeland has been selected for the 1996 Program of Excellence Award by the California Council for the Social Studies. Only one school or district is selected each year throughout California to receive this prestigious award.

With the leadership and support of principal Tom Noesen, the creative and imaginative staff at Lakeland have used social studies as the core of an exciting resource-based instructional program, which has attracted the attention of an increasing number of educators. Lakeland School has also developed a remarkable relationship with its students, families, and with its primarily minority community. The staff at Lakeland Elementary are to be commended for achieving such positive educational results and for boosting its role within the community.

In this era of dwindling resources and support for public education, it is encouraging to see enthusiastic and caring teachers that are committed to providing our children the high quality education to which they are entitled. Lakeland School is a prime example of a team effort. Because of the cooperation that exists on the part of the administration to the students, Lakeland School has proved itself to be a pioneer in the effort to prepare our young people for success in the challenging world of tomorrow.

Mr. Speaker, it is with tremendous pride and appreciation that I ask my colleagues to join me in acknowledging the positive contribution that Lakeland School is making toward the future of America.

TRIBUTE TO WEST SUBURBAN
CHAMBER OF COMMERCE 1996
AWARDS HONOREES

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1996

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to five outstanding individuals and three organizations in my district who were recently honored for public service and volunteerism by the West Suburban Chamber of Commerce (WSCC).

Mr. Lawrence Kinports of LaGrange, IL, was named as the WSCC's Citizen of the Year. Mr. Kinports, a retired business executive and current LaGrange trustee, is renowned in the community for his volunteer work. He serves as an active member of the boards of numerous organizations, including the Southwest Suburban Center of Aging and the Community Extension Project, which serves the youth of his community. In addition, Mr. Kinports has been previously recognized by this Member with my Senior Citizen of the Year Award.

WSCC Man of the Year Ronald Henrickson of LaGrange is another individual who can't say no when it comes to giving of his time and

talents. He is a member of LaGrange's Economic Development/Redevelopment Commission, sits of the board of directors of the Richport YMCA, and volunteers with Mainstreet LaGrange, a redevelopment group in the community.

Ms. Linda Johnson of Western Springs, IL, the Chamber's Woman of the Year, is a successful small-business owner who also finds time for her community. She has been especially active in expanding opportunities for girls and young women, serving as board member of the Whispering Oaks Girl Scout Council and is a past president of the LaGrange Business and Professional Women's Organization. Ms. Johnson also sits on the Western Springs Economic Development Commission and the WSCC Board of Directors, and is the immediate past president of the Western Springs Business Association.

Mayor Carl LeGant of Countryside, IL, the WSCC's Public Servant of the Year, represents all that is good about government service. Mayor LeGant is a true pioneer in his community. He was active in Countryside's incorporation in 1959 and has served in city government since 1963. His honesty and devotion to his community are unquestioned, and after scandal rocked Countryside's government nearly 20 years ago, Carl LeGant was elected Mayor and helped restore the people's faith in their municipal leaders.

Mr. James Durkan of Indian Head Park, IL, was recognized with the Outstanding Community Service by an Individual Award. Mr. Durkan serves as president of the Community Memorial Fund, which distributes funds for health and wellness projects throughout the community. He is also active in the LaGrange Kiwanis Club and received the LaGrange Community Nurse Service Association's Outstanding Service Award in 1993 and currently serves on the Chamber's board of directors.

Other WSCC award winners include the Rich Port YMCA as the Outstanding Community Service Organization. The Y, a true landmark in LaGrange, recently celebrated its 50th anniversary of serving 15 area communities. More than 200,000 people utilize the Rich Port YMCA each year.

Winners of the Chamber's Beautification Award include Burcor Properties of LaGrange and Courtright's Restaurant of Willow Springs, IL. Burcor and its owner, Jerry Burjan, a former WSCC Man of the Year, have done much to improve downtown LaGrange, including renovating a number of commercial buildings. William and Rebecca Courtright, owners of Courtright's, painstakingly preserved the surrounding natural beauty of a sweeping, wooded hill when they constructed their restaurant in Willow Springs.

Mr. Speaker, I congratulate the West Suburban Chamber of Commerce honorees on their contributions to the community and wish them and the WSCC much success in the future.

AGRICULTURE REGULATORY
RELIEF AND TRADE ACT

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1996

Mr. ROBERTS. Mr. Speaker, today we are introducing what some have called Farm Bill

II. More accurately we are calling it the Agriculture Regulatory Relief and Trade Act of 1996. This is a small step toward providing American farmers with the regulatory relief that will enable them to compete in a very competitive global environment.

Many of my colleagues have seen the Agriculture Policy Ledger. The Agriculture Committee has told farmers that there will be less money in the future but in return we have also promised less Government involvement in their lives. The Contract With America contained many of those promises. The Clean Water Act adopted by this House and awaiting action in the Senate would go a long way in addressing a wetlands regulatory nightmare.

I am firmly committed that we should consider many of the policy issues impacting farmers in a calm and careful manner. This bill will lay the cornerstone for the Agriculture Committee's effort to provide some regulatory relief to producers in the agricultural policy area. This bill reflects our commitment to a two-track approach. The first track, the Agricultural Market Transition Act, contains the major spending items in the agriculture budget. The second track, the one that we are embarking on today, deals with many of the policy issues under the House Agriculture Committee's jurisdiction.

I firmly believe rolling all of the budget and policy issues into one huge farm bill is a mistake. The Senate chose to pursue this approach and in that process ended up spending at least \$800 million above the December CBO baseline. In fact, when you compare the Agriculture Market Transition Act to the Senate bill, we save over \$5.4 billion more than they do.

REGULATORY RELIEF AND REAUTHORIZING THE CRP

The conservation title of the Agriculture Regulatory Relief and Trade Act fulfills a promise we made to our producers during the 1994 elections and the budget debate—in return for reduced Government support, we reduce the Government's involvement in their lives. The 1985 farm bill established a partnership between the Federal Government and the farmers. That agreement in essence said we will provide income support payments in return for compliance with government regulations.

However, since that time we have reduced payments by nearly two-thirds. At the same time Government regulations have increased exponentially. This is the first step towards stopping increased Government regulation on producers and making the regulations that remain meet the common sense tests that all regulations should have to meet—technical and economic feasibility and a focus on results, not on process.

The bill that I am introducing today with my subcommittee chairmen meets these tests. It protects the environment and allows producers to use their own innovation to meet environmental goals instead of forcing them to use the innovations of Government bureaucrats. This legislation will also halt several instances of regulatory overkill that have plagued producers since these laws were passed. This legislation goes a long way toward ending this overkill and putting producers back in charge of their land.

Specifically, this legislation will expedite procedures that producers must go through when requesting variances from conservation compliance due to circumstances beyond their control. Conservation systems and plans are

clearly defined so that they are technically and economically achievable, are based on local resource conditions and can be met in a cost effective manner. Penalties will remain in place for producers who violate compliance, but will be tempered when producers unknowingly violate compliance. This legislation also encourages producers to request technical assistance from NRCS without fear of being found out of compliance and then penalized.

We also move forward in reducing the paperwork burden on producers by consolidating cost-share programs that producers use to meet environmental goals. Through consolidation we allow producers to fill out one set of paperwork to access cost share programs, instead of the current system that requires producers to identify their needs then identify which government program they can access and then filling out duplicative government forms. This is common sense and should expedite the process. Finally, this legislation authorizes a new program for livestock producers to improve water quality. This is a mandatory program that is fully paid for and should help livestock operations improve the quality of rural areas.

In addition, this bill provides for the reauthorization of the Conservation Reserve Program up to 36.4 million acres. This program has been a very valuable program that has been enormously popular with farmers, environmentalists, sportsmen and conservationists. Our provision is a simple reauthorization of the program, without modifications to the criteria for enrollment in the CRP.

Mr. Speaker, this is common sense reform that both sides of the aisle should be able to support.

GOVERNMENT CREDIT REFORM

Farmers and ranchers learned the hard way in the late 1970's and 1980's that they could not borrow their way to prosperity. All of us here in Washington concerned with Federal farm policy know that American taxpayers are increasingly unwilling to pay for a continuation of status quo farm policy. USDA farm credit programs that have resulted in billions and billions of dollars going uncollected are high on that list of benefits we can no longer afford.

The bill introduced today seeks to realign Federal lending policies that have been patched together during the last two decades in response to the farm problems in the 1970's and 1980's. Statutory prescriptions that read like regulations are eliminated or streamlined by this bill. USDA farm loans should be used for income generating purposes to enhance our farmers survivability, not support environmental policies that are contained in regulatory activities under other laws. In that regard, the local Farm Service Agency credit office should not be a procurement agency for the U.S. Fish and Wildlife Service. The bill strikes this law.

We all have heard the stories about the farm and home borrower who got his debt written down one day and bought a new pickup the next. Or, farmers, who are always the last to plant in the spring and leave their crops in the fields all winter, are first in line at the county office when it comes time to get their debt forgiven. Of course, a lot of this is coffee shop talk but, on the other hand, the General Accounting Office [GAO] has spent a number of years examining USDA lending practices and has found USDA to be lax or deliberately permissive in response to congressional wishes. There have been nearly a dozen of these GAO reports over the years.

As a 1992 report says, "Lenient loan-making policies, some congressionally directed, have further increased the government's exposure to direct loan losses." The GAO says the old FmHA provided \$38 million in new loans to some 700 borrowers who had already defaulted on loans resulting in losses of \$108 million. Half of these borrowers became delinquent on their second round of loans. This is nothing but throwing good money after bad, and I might add it has done nothing for the farmers but delay the inevitable. This kind of policy cannot continue.

GAO looks at one borrower who " * * * received a \$132,000 direct farm operating loan from the Farmers Home Administration (FmHA) even though, just 2 months earlier, he had received about \$428,000 in debt relief. By March 1991, he was \$28,000 past due on payments." This may be a single instance but is not likely to be unrepresentative when you consider the aggregate losses of billions.

Unfortunately, the disposition of inventory property, including provisions that make otherwise viable farming units into easements for environmental purposes—all at taxpayers' expense—has been just as irresponsible. This legislation is designed to change those policies as well.

TRADE

Farmers know that there will be less money to spend on production agriculture in the future. The money we do spend must be spent wisely. Farmers must be prepared to respond to agriculture trade in a post NAFTA and GATT world. GATT and NAFTA opened up the world markets. We still must be competitive and fight for market share. That is the goal of this trade title, to give farmers and ranchers the tools necessary to respond to the exploding world demand we see in the Pacific Rim countries, China, and Latin America.

In the 70's exports were largely bulk grains. Today we are seeing more grain than ever move overseas, but it is in the form of processed products, beef, pork, and poultry. Red meat exports are three times the 1986 level. Poultry exports are six times the 1986 level.

The bill we are introducing today continues and fully funds the Market Promotion Program. While the MPP program has come under attack, I remind my colleagues that farmers and ranchers produce a commodity. By the very definition a commodity is just that—nondifferentiated. One bushel of wheat pretty much looks like another bushel of wheat.

Any economist will tell you that the way to move more of a commodity is turn it into a value added product. Differentiate the product and you will add value. Convince the overseas consumer that U.S. poultry or beef is better and you have sewn up market share. That is the goal of the MPP program and we need to retain the MPP program. Exports are moving toward value added products and MPP will facilitate that movement.

Specifically, the trade title allows credit guarantees for high value and value-added products with at least 90 percent U.S. content by weight.

Next, it provides protection to producers of any agriculture commodity who suffers a loss due to an embargo imposed for reasons of national security, foreign policy, or limited domestic supply.

The Secretary is given the flexibility to use the funds of the various export programs in ways that better accomplish the programs' ob-

jectives and to ultimately increase U.S. agriculture exports.

The Secretary is given the responsibility to monitor compliance with the agriculture provisions and sanitary and phytosanitary measures of the Uruguay Round Agreement. The Secretary will report any country failing to meet its commitments under the Uruguay Round Agreement to the U.S. Trade Representative for appropriate action.

RURAL DEVELOPMENT

The committee considered three important objectives when developing the rural development title: flexibility, local planning and decisionmaking, and sustainability. The rural development reforms included in this package meet all three.

In regards to flexibility, GAO issued a number of reports concerning the cumbersome and counterproductive regulations associated with present rural development programs. The programs are small and narrowly focused and each is equipped with its own rules and regulations. Many communities do not bother applying for funding due to the time and money involved in completing an application. And, since every rural development dollar is designated for a particular use, applicants often apply for available, instead of needed, funding. The Senate bill makes some improvements in terms of how rural development money can be spent. However, all the regulations, limitations, and restrictions would still apply. Our bill provides maximum flexibility by consolidating all rural development funding and including precious few regulations. The regulations are essentially two-fold. First, the money must be used for rural development activities currently eligible for funding. And, second, the money must be used to the benefit of small towns, particularly those with 10,000 people or less. That's it. This kind of flexibility cuts costs and confusion, saves time and energy, and allows rural America to get down to the business of rural development rather than bogged down in the business of bureaucracy.

A theme that dominated one GAO report is the need for local leadership and long-range planning in rural development. According to the report, "each area has unique qualities that require customized, rather than off-the-shelf, solutions to its economic problems."

The report continues, "While the effectiveness of Federal programs may be uncertain, their inefficiency in delivering benefits is self-evident." Finally, the report concludes by recommending " * * * exploring alternatives to the current set of Federal rural development programs, not merely better ways to coordinate them." While the Senate bill does throw a bone or two at State and local government, it jealously holds control of rural development programs in Washington—settling for off-the-shelf solutions to local problems. Our reform bill promotes local solutions to local problems by distributing consolidated rural development funds to the States. In turn, each State may administer its own rural development programs in close consultation with local government and the private sector. It is worth noting that State and regional governments already administer 4 out of the 5 major sources of Federal funding for water and waste projects. The States will gain one more if Senators CHAFEE and KEMPTHORNE's safe drinking water amendments become law. It just makes sense to turn these rural development programs—which include water and waste—over

the States to maximize coordination and get the job done.

Finally, in regard to sustainability, we all know that Federal funding for rural development is shrinking. In a single year—from fiscal year 1995 to fiscal year 1996—funding for rural development will be cut anywhere from 25 to 43 percent, depending on how USDA arranges its portfolio—ratio of grants to loans and loan guarantees. With the possibility of even deeper cuts coming in order to balance the budget and to provide increased funding for some programs that usually see annual increases, rural development programs may be sacrificed. What will rural towns, hospitals, and water districts do when the money runs out?

The Senate bill would wait and see. Our reform bill preempts the problem. It transfers administration of rural development to the States and requires each State to establish a revolving fund to be used for rural development. By capitalizing State revolving loan funds, which grown in size and operate in perpetuity, States can continue to provide rural development financing long after Federal funding comes to an end. In addition to sustainability, there's also efficiency in the State revolving fund. Even EPA Administrator Browner agrees that States—through State revolving funds—can actually provide more money at lower interest rates than traditional Federal programs—and do it all faster.

One final point in regard to rural development. I asked the administration and many Democrats on the committee who had concerns about this title to work with me to achieve flexibility, State, and local planning and decisionmaking, and sustainability. But, all I ever heard was the status quo. In light of GAO's criticism of current programs, I think we owe rural America better than that.

RESEARCH

The bill provides for a simple 2-year reauthorization of the research, education, and extension functions of USDA. Research should be the cornerstone of our farmers ability to compete in world market places. A simple extension of authorities will allow the committee to finish the work we have begun on an extensive review of the Federal research programs.

The Agriculture Committee has embarked on an extensive review of the Federal research effort. Last summer, I along with Representatives ALLARD, DE LA GARZA, and JOHNSON sent out a comprehensive questionnaire. We asked researchers and research users what can be done better and how can we spend the \$1.7 billion annual commitment to agricultural research and extension to make sure producers and consumers will have a competitive and safe food supply in the 21st century.

In addition to the survey which I just discussed, the House Agriculture Committee has had the General Accounting Office conduct the first accounting of our Federal agricultural research investment since 1981. This report will be delivered to the committee by the end of next month.

Finally, we have scheduled a series of hearings this March and plan on producing a comprehensive rewrite of our Federal Research Program. Unfortunately, the other body has chosen to simply clean around the edges leaving in place research policies that fail to meet the needs of the agricultural sector as we transition into the free market. That is unacceptable and I urge my colleagues to support the

Agriculture Committee in our effort to modernize USDA's research program.

This is a board overview of the Agriculture Regulatory Relief and Trade Act. Taken together, it's a strong package that will relieve the regulatory burden in rural America, reduce redtape and provide a consistent and dependable export policy.

RUSSIA AND THE NEW INDEPENDENT STATES [NIS]: PROMOTING U.S. INTERESTS

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1996

Mr. COX of California. Mr. Speaker, at a recent executive session of the House Republican Policy Committee, which I chair, the Salvatori Fellow in Russian and Eurasian Studies at the Heritage Foundation, Dr. Ariel Cohen, made a presentation on the state of affairs in Russia and implications for American foreign policy. He offered an analysis of the December 1995 legislative elections and the presidential elections scheduled for next June, focusing on the growing influence of Communists and ultranationalists. His observations about Russia's stalled economic liberalization, military onslaught against the citizens of Chechnya, and sale of nuclear reactors to Iran force one to reconsider American economic assistance programs for Russia. His briefing report follows.

RUSSIA AND THE NEW INDEPENDENT STATES [NIS]: PROMOTING U.S. INTERESTS

Briefing to the House Republican Policy Committee, Hon. Christopher Cox, (R-CA), Chairman

THE ISSUES

The Future of U.S.-Russian Relations Remains Uncertain. The future of U.S.-Russian relations is uncertain. Much depends upon the outcome of the presidential elections in Russia, currently scheduled for the summer of 1996. In December 1995, elections communists, nationalists and their allies captured over 50 per cent of the popular vote to the Duma (the lower house of the Russian parliament). Currently, President Yeltsin is trailing the pack of presidential candidates, with his popular support in single digits. The most popular candidate is Vladimir Zhirinovskiy, an anti-American ultra-nationalist. Another dangerous contender is Gennady Zyuganov, leader of the unreformed communist party. He, too, could win the presidency of the second largest nuclear power on earth. Victory for either Zhirinovskiy or Zyuganov would gravely endanger Russia's young democracy and market reforms. A communist or a nationalist at Russia's helm could eventually place that country, with its considerable military power, on a collision course with the United States in Central Europe or the Middle East. Yeltsin's Presidency Faltering. President Yeltsin's own prospects look grim. He has all but announced that he is about to run for the presidency, but his health is failing, and Russia's internal economic and political crisis continues unabated. The war in the breakaway republic of Chechnya, and economic difficulties are eroding the popularity of Yeltsin's administration.

No one knows who will rule in Moscow by the end of 1996, but the period of romantic partnership with the U.S. and the West is over. Russia is striking out on its own, tak-

ing a path that has already led toward confrontation with the West. In fact, Russia is in the midst of a political turbulence fraught with dangers for the West. The chances are good that the next American president will have to deal with a new set of players in Moscow, different from the current team. The U.S. cannot afford to appear partisan. Washington should be firm in expressing American support for democracy, elections, free markets and the support of individual rights in Russia. But the continuous and unquestionable support that the Clinton administration is providing Boris Yeltsin makes less and less sense. Questions about how closely and for how much longer Yeltsin should be embraced need to be addressed.

From Sphere of Influence to Empire? Anti-Western, anti-American, and xenophobic sentiments are growing in Russia. Moscow is attempting to re-establish its influence in neighboring regions that were once a part of the Soviet Union. The Kremlin is employing combination of economic, diplomatic and military means to achieve a sphere of economic and military influence in what Moscow calls its "near abroad." Yeltsin's newly appointed foreign minister, Yevgenii Primakov, and other influential policy makers insist that the West scale down relations with former Soviet states, including Ukraine, and conduct these ties via Moscow. But in fact, preventing the emergence of a Russian empire in the lands of the former Soviet Union should be a top Western priority. Nothing less than Russian democracy and a future threat to vital Western interests are at stake. Moreover, an anti-Western policy may lead Russia to forge alliances with anti-Western forces in Iran, Iraq, China and Lybia.

The War in Chechnya. One of the main goals of the Russian attack on the quasi-independent republic of Chechnya in December of 1994 was to ensure control of a vital oil pipeline and stem illegal activities, such as drug-trafficking and smuggling, that were being conducted or condoned by the former administration in the Chechen capital of Grozny led by President Jokhar Dudayev. Russia launched massive but covert military actions to support Dudayev's opponents. In 1994, Dudayev turned to radical Islamic elements in the Middle East and Central Asia for support. This exacerbated the religious aspect of the conflict between the Muslim Chechens and Christian Orthodox Russians. Overt Russian military action began on December 12, 1994, when the army marched on Grozny. The city was destroyed by a brutal aerial, tank and artillery assault. Since the start of the campaign, over 30,000 people have been killed, and more than 300,000 became refugees. Hostilities continue, with hostage taking crises having erupted in July of 1995 and January of 1996. The southern border region of the Russian Federation increasingly resembles Lebanon or Yugoslavia, replete with hostages, refugees and vendettas.

The sale of nuclear reactors to Iran. The Islamic regime in Teheran has launched a bid to acquire nuclear weapons. It is buying two Russian-made nuclear reactors that will produce radioactive plutonium which can be enriched to become weapons-grade raw material for the manufacture of atomic bombs. The Russian Ministry of Foreign Affairs itself does not support this sale, which could endanger both Russian and Western security. Iran, with its formidable oil and gas resources, does not need nuclear power. If Teheran wants an additional source of electricity, Russia could sell electrical power from its own ample resources. In addition, to compensate Russia for the lost reactor sales, the U.S. could increase its Russian uranium quota, or cooperate in building safer nuclear reactors on Russian soil.