want the Direct Loan Program or the Guaranteed Loan Program. Let the colleges, let the students."

What is more democratic than that? What is more local empowerment than that? What gets more power from the Federal Government back to the States and the colleges than that particular proposal? You would think that was a proposal that would carry. Absolutely not. We were closed down. Virtually unanimous support in opposition to that by our Republican friends.

So I hope as we come into these last days that parents, students, business leaders, and young people who are not going on to college—those who are concerned about the future of this country—really study this record well.

Any time Senator KASSEBAUM speaks about education, there is a great deal for us to learn from her comments. I always do. Although I missed her remarks earlier, I look forward to reading them in the RECORD.

But I do think there is a pretty central difference in the record of the two political parties on the priority of education. The President has stated that education, Medicare, and environmental issues are his priorities, and it was only after there were significant cuts in those that the Government was shut down. I think the American people remember that.

We speak today about one aspect of those priorities, and it is education. I think the American people place a very high priority on it. They place a great responsibility on all of us to try and make whatever we allocate more effective in enhancing student achievement and accomplishments in schools and colleges across this country.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, if I can comment for a moment. We can probably go on all afternoon talking about education, but I am sure there are those who would like to get back to the pipeline bill.

We can have dueling charts. I don't think that helps us at this juncture. The Senator from Massachusetts raised many of the same priorities in education that I did. We worry about crumbling infrastructure, we worry about the quality of education, we worry about being able to attract the best and the brightest teachers into teaching. All of these things are a part of the educational debate.

I think where we differ, and differ significantly, is whether the Federal Government is the answer to all of those questions, and I suggest not. I believe most Americans realize that is so. Federal dollars in education are less than 10 percent of the education dollars spent in this country. Local and State governments spend, I think, about \$508 billion in education. I happen to believe that it still should be a question of local and State authority on education.

The Federal Government can provide support, but if we start to rely more and more on Federal dollars coming from here in Washington and believe that solves the problem, then I suggest, Mr. President, that we are in trouble. That is where we differ: Who bears the main responsibility for the funding of our educational system?

I suggest it has worked well, and it will continue and should work best, at the local level. I think that is where there is a fundamental difference.

I yield the floor, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Texas is recognized.

## ACCOUNTABLE PIPELINE SAFETY AND PARTNERSHIP ACT OF 1996

The Senate continued with the consideration of the bill.

Mrs. HUTCHISON. Mr. President, I would like to make a few remarks about the pipeline bill, because I think this is a very important bill for the future and safety of our country. This is a bill that has been worked on for quite a long time. It is a bipartisan bill.

I am very pleased that we have a safety pipeline program, we have a funding source. We are reauthorizing the Federal Pipeline Safety Program. I think everyone has worked in good faith. In fact, the bill is sponsored by Senator LOTT, cosponsored by Senators PRESSLER, STEVENS, HUTCHISON, BURNS, SHELBY, COCHRAN, FRIST, INHOFE, BREAUX, FORD, EXON, INOUYE, JOHN-STON, and HEFLIN. I think all of us want to make sure that the pipelines that are running through the ground in our country are as safe as they can possibly be.

Of course, we have user fees that pay for the safety inspections and the Office of Pipeline Safety. I think this bill also adds some simple and flexible risk assessments and cost-benefit analyses to some of these new regulations. So I think we are going to be taking a giant step in the right direction with this bill.

It does authorize the Office of Pipeline Safety funding through the year 2000 so that we will know that the source is good and that it is at a reasonable level. It is about what our budget resolution is today, and I think that we have made a great improvement.

So I am very pleased to support this bill as the new chairman of the subcommittee from which this bill came.

I think we have a good, bipartisan compromise that is going to move pipeline safety very, very much into the forefront of our consciousness as we continue to put down more pipeline and take more energy to the people of this country.

Mr. President, I think Senator LAU-TENBERG, who has also worked very hard on this bill, has remarks to make. Is that correct?

Mr. LAUTENBERG. Yes. Thank you. The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Senator from Texas. I know that she has an interest in safety with our pipelines. Obviously, coming from a State like she does, there is a great deal of interest in providing the resource, the gas, that travels through these pipelines because it is an efficient and cost-effective way of taking care of our energy needs.

I want to also extend my accommodation to the majority leader, Senator LOTT, for his work on this bill, as well as the chairman and the ranking minority member of the Commerce Committee, Senator PRESSLER and Senator HOLLINGS, and the other Senators who have worked hard and who have contributed to this legislation.

The bill before us enhances our existing pipeline safety program in a number of ways. For example, it would promote one-call programs to ensure that those who dig in the ground can easily find out where the pipelines are located—not only find out, but must know where the pipelines are located.

The bill would also increase funding for pipeline safety programs and make other improvements. At the same time, I do have some concerns about certain provisions in the legislation which could limit the regulators' abilities to adequately manage the program.

Frankly, it does not go all the way that I would like it to go, but it certainly is an improvement on the status quo and should improve pipeline safety significantly.

Mr. President, I have a special interest in this bill—I am sure many in this room are aware of it—because an explosion took place in my State a couple of years ago, and our experience with it was one that will stay permanently etched in the memories of people in New Jersev.

What happened there was almost inexplicable because, though the damage, the physical damage, was extensive, fortunately it was limited to one death. There could have been many more. That one death was as a result of someone's physical disability who had come in to be in touch with friends who lived in the neighborhood. It was terrible. That was 2½ years ago.

That rupture in a gas pipeline led to a terrible explosion in Edison, NJ. The blast created an enormous fireball that could be seen for miles around. It leveled eight apartment buildings and left a gaping hole in the ground. It reminded me, very frankly, Mr. President, of some of my wartime experiences when bombed-out areas were left with buildings flattened and holes, craters, in the ground. That is what this looked like.

The explosion and the fire injured more than 100 people and brought on, as I said, the death of one person, a fatal heart attack of a 32-year-old woman who had come to visit friends who were in the area. And 150 families were made homeless. Not surprisingly, many of the victims are still dealing with the emotional, psychological, and financial consequences of the explosion.

Mr. President, I visited the site of this disaster with Senator BRADLEY very shortly after it took place. We saw the devastation firsthand. It was a sobering experience. Nobody could witness a scene like that without being committed to doing everything possible to prevent similar tragedies from happening in the future.

In response to the explosion in New Jersey, I began to explore various ways that pipelines could be made safer. I talked with experts from around the country, and I developed legislation, now introduced as S. 162, that did propose a variety of steps.

First, my bill promoted the establishment of the so-called one-call program. One-call very simply requires anyone who is about to dig—a builder, construction company—to simply make a telephone call to make sure that where they are going to dig is not dangerous because of pipelines. This is important because two-thirds of all pipeline accidents are caused by people who dig without knowing where they are digging.

So I say, they must know. So I am pleased that the bill before us, like my own, would promote one-call programs and direct the Office of Pipeline Safety to help States establish these programs.

Another provision in my bill required the use of remote control shutoff valves. Mr. President, given the state of technology in the world today, you would think this kind of thing would be used routinely, which simply means that someone in a remote location with some visual contact through electronic means could see what is happening and start turning down the cutoff valves. Unfortunately, that very simple technology was not used in this case. But it is now being used.

Too often when a major leak occurs, pipeline operators must physically travel to the site of the leak and manually turn off a huge valve. This process can take many hours. After the Edison explosion, it took over 3 hours to shut off the valve, the valve that was producing the gas flow to continue the flames and the destruction that was taking place, in large part, because the shutoff valve was manual and took over 700 turns to close. Meanwhile, again, the dangerous gas was escaping into the environment. Remote control shutoff valves would have solved this problem in fairly quick fashion.

So I am pleased that the managers of the bill were able to include a provision in the managers' amendment that would require that DOT, which has jurisdiction here, study the feasibility of these devices. If, as I expect, the Secretary determines that the devices are feasible and would reduce risks of pipeline accidents, the Secretary would be required to mandate their use. Another proposal in my bill would allow residents to be notified of the location of the pipelines in their neighborhoods. Citizens have a right to know this information. A better informed public leads to improved safety. So I am pleased that the managers of the bill have included in their amendment, the managers' amendment, a provision that requires that all operators provide a pipeline map to local communities.

The provision also requires that the Secretary review existing pipeline safety education programs, determine which ones are the most effective, and implement appropriate programs nationwide.

My legislation also would have helped ensure that pipeline leaks and weaknesses were detected before disasters by promoting the use of so-called smart pigs. The term "smart pigs" refers to technology that essentially permits a device to travel through a pipeline and evaluate whether or not there are weaknesses that have to be attended to or that otherwise could lead to problems in the future. The use of this smart pig technology is important, especially as more pipes grow older and thus more vulnerable to problems.

The bill before us would authorize OPS, the Office of Pipeline Safety, to require the use of smart pigs, though it does not mandate their regular use, as I would prefer. I am hopeful that OPS will promote these tools aggressively.

There are other provisions in this bill before us that also mirror proposals of mine. One provision would make it a Federal crime to dump waste in pipeline rights of way. This will help protect these rights of way from large volumes of material which can damage the pipeline.

So, Mr. President, there are several provisions in this bill that I support and that can help, and will help, to improve pipeline safety. At the same time, however, in my view, the legislation should go farther.

For example, I am concerned that the public will not have adequate input in the review of proposed risk demonstration projects. I am also concerned that the bill could make it harder for the Office of Pipeline Safety to propose and adopt pipeline safety standards because of new cost/benefit requirements.

On balance, though, Mr. President, this bill represents a very good step forward. Although far from perfect and we know around here that the perfect is the enemy of the good; it is said so often and proves true almost every time—although far from perfect, it should improve pipeline safety, and it deserves our support.

Once more, I thank the majority leader and the other Senators involved for their work on this bill. I look forward to working with them in the future to ensure that the legislation is implemented properly and effectively, and to consider other steps that can be taken that promote pipeline safety in our communities. I yield the floor.

Mr. LOTT. Mr. President, I rise today in support of the reauthorization of the Office of Pipeline Safety (S. 1505).

This is a bill which is bipartisan with seven Democratic and nine Republican cosponsors.

This is a bill which was unanimously approved by our Commerce Committee.

This is a bill which is supported by both the administration and the regulated pipeline industry.

This is a bill which focuses on just the statute which regulates the natural gas and liquid transmission and distribution industry.

This is a bill which is targeted on the role and responsibilities of the Office of Pipeline Safety within the Department of Transportation.

This is a bill which deals in a responsive and responsible manner the way rules are made for this sector of the energy community; but, I want to be very very clear, nothing in this bill will jeopardize the integrity and safety of America's natural gas transmission system. And nothing in this bill will reverse the environmental success story of this industry.

This is a bill which permits demonstration projects by recognizing opportunities for regulatory flexibility.

This is a bill where the one-size-fitsall mandate mentality is replaced by responsible creative yet accountable rulemaking.

This is a bill which will intimately affect 160 million Americans because they live in gas heated buildings.

This is a bill which governs enough natural gas pipes to go around the Earth 48 times.

And, finally this is a bill which has direct impact on under a million Americans because they work in some aspect of the natural gas industry.

The leadership of Senator PRESSLER and Senator EXON has made this manager's amendment possible, and I want to publicly thank them for both their time and attention to advancing this consensus compromise.

Let me say in conclusion: Safety on America's interstate natural gas pipelines will be enhanced by this legislation. And I want to underscore that environmental protection along America's pipeline right-of-ways will also be enhanced by S. 1505.

Mr. HOLLINGS. Mr. President, I rise in support of S. 1505, the Accountable Pipeline Safety and Partnership Act of 1996.

This legislation reauthorizes the pipeline safety programs that are the responsibility of the Department of Transportation's Office of Pipeline Safety (OPS). OPS has a tremendous responsibility in ensuring the safety of the nation's gas and hazardous liquid pipelines. The combined interstate pipeline system has approximately 1.8 million miles of pipeline, consisting of approximately 1.6 million miles of gas pipeline and 155,000 miles of hazardous liquid pipeline. Any map of the nation's pipeline system shows how much our population depends on safe pipelines. The question is not whether pipeline safety programs should be reauthorized. Rather, we must determine the best way to maintain the safety of the interstate pipeline system while allowing the pipeline operators and owners to provide the service so necessary to the nation's well-being.

The importance of OPS is not theoretical. Many of us can report on gas line ruptures and spills in our states in the past. For example, there was a gas pipeline rupture in New Jersey two years ago. There was a horrible spill in my home state of South Carolina this summer. Over 1 million gallons was spilled. My staff has spent countless hours in monitoring this disaster. Luckily, the skill and dedication of OPS prevented that spill from becoming a major environmental disaster. The OPS training exercise with the pipeline owner held just prior to the spill contributed to the speed with which the adverse effects of this spill were mitigated—most of the spill was cleaned up and the remainder evaporated. In this regard, I extend my appreciation to OPS for keeping me informed of the spill and the efforts to redress the harm done to the land and water in South Carolina. Of course, I intend to continue monitoring our pipeline situation in South Carolina until I am satisfied that our pipelines are truly safe.

This bill provides authorization levels that are consistent with the Administration's budget request for OPS, but unfortunately, the appropriations for OPS that just passed the Congress are about 10 percent below the budget request. Obviously, OPS will be able to do its job better if it does not have to shift resources constantly to cope with funding difficulties. Despite its funding shortfall, however, I have reason to believe that OPS will ensure that our situation in South Carolina is rectified.

This legislation was crafted from many discussions between OPS and the pipeline industry. The bill refines the present OPS regulatory program so that OPS's scarce resources are put to the nation's best advantage. This greater ability to target its resources will help OPS to concentrate on the most serious problems, like the one we have faced in South Carolina. The bill also allows OPS and the pipeline industry to cooperate in designing risk management programs which will provide an appropriate level of safety while relieving pipeline facility owners and operators of unnecessary paperwork. In addition, this legislation contemplates a true partnership between the parties by including the states in the regulatory process with OPS and the pipeline industry.

Mr. President, I urge my colleagues to support passage of S. 1505.

Mr. LEVIN. Mr. President, the bill before us would establish a new statutory standard for the Secretary of Transportation to meet when issuing a standard for pipeline safety. Section 4

of the bill provides that: "Except where otherwise required by statute, the Secretary shall propose or issue a standard under this Chapter only upon a reasoned determination that the benefits of the intended standard justify its costs."

When the Senate was debating governmentwide regulatory reform legislation earlier in this Congress, much of the debate focused on the issue of whether or not it was appropriate to set an across-the-board standard for the application of cost-benefit analysis to major rules. We referred to this issue as "decisional criteria"—which basically meant the standard to be applied by the agency in selecting a rule for promulgation based on an analysis of the rule's benefits and costs. We were unable to reach agreement.

Some thought there should be a strict standard—that the head of an agency should have to show that the benefits of the rule justify the costs. Some thought we should apply that standard, but permit important exceptions for uncertainty in the data and rules where the public interest was significantly at stake. Others thought we should require the agency to do the analysis and explain, based on the costbenefit analysis, whether the benefits of the rule justify its costs and if not, explain why the rule is still being issued.

As a body, we have not been able to agree on the formulation for this standard. That is why Senator GLENN and I have had some concern about the standard being adopted for the Office of Pipeline Safety. We don't want anyone to view acceptance of the standard in this bill as a precedent for adopting a similar standard in any other Federal program. That's because what may work well and be appropriate for the Office of Pipeline Safety and the safety rules issued by that office, is not necessarily an appropriate standard for any other Federal agency.

So I wish to ask my colleagues who have been working on this bill a few questions about the scope of the standard contained in this bill.

Mr. President, would the Senator from Nebraska, Senator EXON, who has worked so hard on this legislation, agree that it is not the committee's intent that the standard for the application of cost-benefit analysis included in this legislation be applied to any other agency?

Mr. EXON. Mr. President, the provision in this legislation with respect to cost-benefit analysis is unique to the Office of Pipeline Safety. It is not my intent, nor was it ever suggested by any member of the committee that the standard we use in this bill, be applied to the regulatory process of any other Federal agency.

Cost benefit analysis for pipeline safety is straight forward and largely quantifiable. Assessing the effects of pipeline safety ruptures is not as uncertain as health-related analyses, such as lead exposure levels or other

long-term exposure to toxics. Pipelines are fixed facilities in known locations that carry finite quantities of specific products. The consequences of different types of ruptures or problems is therefore very quantifiable. The costs of various proposed requirements is usually also very quantifiable as most proposals seek to use existing procedures, processes, or tools with which pipeline operators have actual field experience. This makes cost and benefits more readily identifiable regarding pipeline safety regulations.

Mr. PRESSLER. Mr. President, will the Senator yield for a comment? If I may, I agree with the Senator from Nebraska. This standard we've set in this bill for the issuance of pipeline safety standards is unique to the Pipeline Safety Office. That's why we have the support for this legislation of the Department of Transportation and the regulated industry. The Department of Transportation says it can live with this standard, and that's why we are able to include it in this bill.

Mr. GLENN. Will the Senator from Michigan yield?

Mr. LEVIN. I am happy to yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I have been pleased to work with the Senator from Michigan on this matter as well as the overall issue of regulatory reform. In August I wrote to the majority leader, Senator LOTT, who has taken a strong interest in drafting this legislation, and explained to him our concern about the cost-benefit standard contained in this bill. My concern, like Senator LEVIN's, was that this legislation could be used as a precedent in the debate on the larger regulatory reform bill. The majority leader, in a letter dated August 9, 1996, assured me that would not be the case. He said in that letter, "S. 1505 only applies to the federal pipeline statute. In fact, it will affect only one federal agency with 100 employees and could impact less than ten rules per year. This is not a precedent setting proposal."

Would the majority leader be able to confirm his earlier statement?

Mr. LOTT. Mr. President, I would be happy to respond to the Senator's request. The cost-benefit standard included in S. 1505 is not intended to be used, nor will I use it, as a precedent for a cost-benefit standard to be applied to other agencies. It works for pipeline safety, because it was specifically written with the knowledge of that office and its unique responsibilities in mind.

Mr. GLENN. I thank the Senator from Mississippi and I yield the floor.

Mr. LEVIN. Mr. President, with those assurances by the majority leader and the key members of the Commerce subcommittee who've been working on this bill, I can support this legislation.

In the recently enacted, bipartisan Safe Drinking Water Act, we adopted a very different standard for rulemaking. In that legislation we said: "At the time the Administrator (of EPA) proposes a national primary drinking water regulation under this paragraph, the Administrator shall publish a determination as to whether the benefits of the maximum contaminant level justify, or do not justify, the costs based on the analysis conducted under paragraph (3)(C)."

We will now be able to see how each of these proposals works in real life. I look forward to seeing and analyzing the results.

Mr. GLENN. Mr. President, I join with my colleague and friend from Michigan, Senator LEVIN, in saying that I can support this legislation with respect to this issue. I am also happy to support the inclusion of added language to protect the public's right to participate in the development and approval of the risk management demonstration projects provided udner this bill.

I was concerned that as initially drafted, communities affected by these projects might not have a voice in commenting on the proposals made by pipeline owners and operators for alternative methods of complying with the law. The sponsors of the legislation agreed to add statutory language to protect that right to public participation. With that addition, as well as the statement of the sponsors as to the scope of the bill, I will support this legislation.

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

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

## MARITIME SECURITY ACT

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate temporarily set aside Senate bill 1505 and that the Senate now proceed to the consideration of Calendar No. 262, House bill 1350, the maritime security bill.

I further ask unanimous consent that no amendment relative to the tuna-dolphin issue on the Panama declaration issue be in order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1350) to amend the Merchant Marine Act, 1936 to revitalize the United States-flag merchant marine, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, the Senate will soon consider House bill 1350, the Maritime Security Act of 1995. This is the companion legislation to Senate bill 1139, the maritime reform legislation approved by the Senate Committee on Commerce, Science, and Transportation earlier this year.

This historic legislation is the culmination of over two decades of work by the Senate Commerce Committee. I said two decades.

For most of the 1980's the senior Senator from Hawaii and myself spent hundreds of hours in congressional hearings, consultation with administration officials, and discussions with affected industry in seeking to find a way to stabilize and reform the Federal maritime programs.

We became involved in this debate in large part because of our responsibility to the Senate and the Nation to find methods of improving our military support capabilities for the Department of Defense.

The Navy and the Marines deploy the Maritime Prepositioning Force, which is our core capability to respond in an emergency to hostile actions worldwide which threaten the security interests of the United States.

We have known for many years that advance military capability must be combined with the ability to provide both surge sealift capability and sustainment sealift capability.

Without both surge and sustainment, we expose our fighting men and women to the dangers inherent in any military involvement far from our shores.

The Congress has appropriated billions of dollars over the last 15 years to improve our surge sealift transportation capability.

We have procured Fast Sealift Ships, Large Roll-On, Roll-Off ships, Ready Reserve Force vessels, and strategic lift aircraft to support our military forces in the initial days and months of battle.

We now have the most technologically advanced surge sealift capability in the history of the world, and are approaching a maximum state of initial readiness.

Military capability and surge sealift capability are, however, only two legs of the three legged stool for our advance deployed military force.

The third leg is the ability to sustain these forces over extended periods of time, after we place them in foreign territory, far from home. The maritime security program in H.R. 1350 provides that third leg.

Why is it necessary for the Federal Government to provide supplemental payments to U.S. companies to keep their ships under U.S.-flag?

The answer is simple. We hold our U.S.-flag carriers to operating, safety, and labor standards far superior and far more costly than those imposed on foreign-flag carriers by their governments.

Operators of U.S.-flag vessels must meet payroll taxes, including social security, unemployment insurance, Medicare, and Medicaid. U.S. carriers pay income taxes and a 50 percent penalty for repairing their ships overseas.

These ships must be in compliance with more restrictive Coast Guard and OSHA safety regulations. In short, our Federal laws build in economic disincentives for U.S. companies to keep their vessels under the national flag.

What is the national interest in keeping these ships under U.S.-flag? Opponents of the bill have pointed to Desert Shield/Desert Storm as evidence that commercial sealift can be procured in times of emergency.

My questions to the Senate are twofold: At what price, and in what state of readiness? Let me reemphasize to my colleagues in the Senate that there are no free meals in the real world.

There will always be a price for an immediately available sustainment sealift capability in a trained and effective state of readiness.

As chairman of the Senate Defense Appropriations Subcommittee responsible for managing the long-term costs of the Defense Department, I have come away with a much different lesson learned from Desert Storm.

The costs of contracting with the private sector in an emergency come at a high premium and the state of readiness is inadequate.

Logistical support is like an athlete's muscle—you must exercise these muscles early and often if you are going to compete and win in the field.

The first lesson we learned from Desert Shield/Desert Storm is that foreign shipping companies can easily gauge the needs of the U.S. military and the availability of tonnage to meet these needs.

The average cost to the United States for procuring U.S.-flag ships for sustainment sealift during Desert Shield was \$122 per ton. Foreign-flag shipping, in contrast, charged rates averaging \$174 per ton of cargo.

Norwegian and Italian shipping companies, for example, extracted premiums in excess of 50 percent higher than their normal charter price and, in some cases, doubled their charter price.

The second lesson from Desert Shield/Desert Storm is that the callup and coordination of civilian private sector operations to meet military surge requirements takes time.

At the height of Desert Shield, we had over 120 U.S.-flag vessels called up and in service in the supply line to the Persian Gulf.

Fifty-one of these ships were immediately available to the Department of Defense pursuant to their subsidy contracts with the Department of Transportation, and sixty ships were called up from the Ready Reserve Force [RRF] to supplement the commercial fleet.

We also chartered over a dozen large roll-on, roll-off vessels from foreign shipping companies to carry heavy equipment and inventories.

The RRF callup was painful in its early stages. The ships were being operated in a reduced state of readiness, and many were required to undergo extensive repair work in our shipyards before they could accept cargo.