

losing it forever?" If we do not care about animals, why in the world should we care about plants?

I have a friend with whom I went to high school. He was one class ahead of me. We played ball together. He had a son. His oldest boy hit a home run in the Little League. He could not make it around the third base. When he got to home, the parents were a little concerned that maybe he was lazy. The fact of the matter was this little boy had leukemia. In those days, when children got leukemia, 20 or 25 years ago, they died. They did not survive. Childhood leukemia was fatal. My friend's little boy died, and he died quickly.

Mr. President, as a result of a plant called the periwinkle plant, scientists found that the substances from that plant allow children to live. Children with leukemia now live because of the plant called periwinkle. Childhood leukemia is no longer fatal, because of this plant.

About 40 percent of the curative substances we take come from plants, many of them from the rain forests and other areas that are going out of business because of population density. I urge my colleagues who recognize the need for substantive reform of the Endangered Species Act, who understand the devastating effect of this moratorium, will support an immediate repeal of this devastating moratorium and allow us to move forward with a sound, substantive, bipartisan reform of the Endangered Species Act.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

THE MAYR BROTHERS

Mr. GORTON. Mr. President, last weekend 170 employees of the Mayr Bros. sawmill in Hoquim, WA, were notified that they were about to be laid off. One-hundred and seventy individual workers is not a particularly large number in connection with all of the layoffs that have taken place across the Nation during the course of the last year. But this is almost the last 170 workers for this particular mill. They are in addition to several thousand others in the area who have lost their jobs during the course of the last 4 or 5 years.

Hoquim, WA, the location of the mill, is a small city of about 9,000 people. The Mayr Bros. mill is one of the few that remain in that city. It has been a mainstay of this community for 63 years at this point in its history. Hoquim, Mr. President, to put it mildly, is not a destination tourist resort by any stretch of the imagination. It is a working-class community that has provided wood and fiber and paper products for the people of the United States for the entire length and breadth of the 20th century.

These layoffs, however, are from a different cause than simply the dynamics of a constantly changing economy. They are taking place because of delib-

erate policies imposed by the Congress and by the administration with respect to the harvest of timber in our national forests and on the lands managed by the Bureau of Land Management of the United States.

It is particularly ironic in the light of these layoffs that the junior Senator from the State of Washington the day before yesterday introduced a bill that would effectively cancel all of the harvest on Federal lands all across the country that were authorized by a rescissions bill signed as recently as last July by the President of the United States, after extensive negotiations involving his office, my office, and that of the distinguished Senator from Oregon [Mr. HATFIELD].

The owner and operator of Mayr Bros. mill, Tom Mayr, has left four Federal timber sales. They are commonly referred to as section 318 sales, named after that section of the fiscal year 1990 Interior Appropriations Act sponsored by then Senator Adams and Senator HATFIELD to provide some interim relief while we determined the future management of our national forests. But even those sales specifically authorized by a fairly recent statute here have been held up for more than 5 years just while a study respecting the marbled murrelet has gone on in the timber area.

Now, Tom Mayr is not the only person who is affected by those provisions or by the Rescission Act provisions. Roughly 600 million board feet of Federal timber contracts have been held up by the Government. In each case they have one feature in common. They represent contracts which were signed by the Federal Government authorizing the harvest about which the Federal Government had second thoughts at some later period of time. As a consequence, if they are not carried out, the Federal Government will have very considerable contractual liabilities, at least \$100 million—perhaps more than that.

Included in the Rescissions Act was language directing that the administration release these timber sales unless one of these marbled murrelets was known actually to be nested in the area. So they are sales in which there is no known nesting habitat for that particular species.

When President Clinton signed the bill, sale owners began to see some light at the end of a very long tunnel but then the administration changed its mind. Despite the fact that the language in the provision was very clear and was discussed with representatives of the White House before it was passed and signed, it has literally taken court orders to get the Clinton administration to implement the provision. As a consequence, fewer than one-half of the sales covered by the provision have been released and only those as a result of a court order.

Much has been made of these so-called salvage timber provisions in the rescissions bill, so an outline of pre-

cisely what they contain should be included in the RECORD at this point. First, the only one of the three areas covered by the rescissions bill language on timber harvesting contracts is section 2001(k). Two other provisions, one on timber salvage and one on the administration's own option 9 provisions, were designed simply to help the administration carry out its own promises. They required the administration to do nothing at all. If it wished to repudiate its promises with respect to salvage timber or with respect to the option 9 commitments of the President of the United States to the people of the Pacific Northwest, it is entirely free to do so unaffected by the provisions of the rescissions bill.

The areas that are covered by the bill on a mandatory basis involve less than 10,000 acres out of the 30 million acres of Federal forestland in Oregon and Washington, fewer than 1 acre out of 3,000. Let us put it in a slightly different fashion. If this provision were a permanent provision ordering this amount of harvest every year rather than a one-time provision to honor past contracts, in 1,000 years fewer than half of the acres in the national forests in these two States would have been harvested once. In 1,000 years, fewer than half of the acres would have been harvested one time. The 600 million board feet represents one-tenth of the historic harvest level in the forests of the Pacific Northwest and far, far less than the natural regeneration rate of those forests. We are talking about a tiny degree of relief, a very modest degree of relief both for the people of timber country and for that matter in connection with the demand of the people of the United States for forest products for paper production, for fiber production, for wood for the building of houses, and the like.

Even so, when the administration began to have second thoughts about this provision, Senator HATFIELD and I listened quite carefully to its views, and in the bill passed by the Appropriations Committee yesterday to gather together all of the remaining appropriations bills in one omnibus proposal we have proposed two changes. We have made it much easier for the administration to exchange particular sale areas that it thinks are especially sensitive for others that are less sensitive assuming that the contractor goes along. We have also made it possible for the administration to buy out certain sales if it can gain the consent of the contracting party, and it can. We know of areas, including Mr. Mayr's areas, in which it can do so. But it is required to use the money already appropriated to it and not simply to do as the administration wishes, to come up with another \$100 million unaccounted for, to be added to the deficit to be sent as a bill to our children and grandchildren. If it can find other ways in which to come up with presently appropriated money to purchase these sales or can find other areas in which to

make exchanges of such sales, it can do so.

I think it would be especially ironic if the legislation to repeal the rescissions bill were to pass in the immediate aftermath of this most recent set of layoffs. It shows a tremendous indifference to the faith of hard-working people who have paid their taxes and built their communities over the better part of this century.

There are those who claim to be offended by this law, so offended that they call for its repeal. I am offended; I am offended by their complete and total lack of compassion that this proposal shows to these hard-working people and to the American economy and to the countless others before them who have lost their timber-related jobs as a result of similar policies.

I am offended by the total indifference to the cost of the repudiation of legal contracts entered into by the Government, shrugging them off on the proposition that someone else can pay for them sometime in the future and that we will simply add another bill to the taxpayers of the United States.

Mr. President, we will be debating this issue during the course of the next several days. I will have some charts demonstrating graphically the statistics I have outlined, that we are talking about an extremely modest proposal. We are speaking of far less harvest than the President's own promises as recently as 2 years ago to the people of the Pacific Northwest. We are simply enabling the President to keep the promises that he made, that he now, in an election year, desires to ignore.

MEASURE PLACED ON CALENDAR—H.R. 497

Mr. GORTON. Mr. President, I understand there is a bill due for its second reading.

The PRESIDING OFFICER (Mr. SHELBY). The clerk will read the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 497) to create the National Gambling Impact and Policy Commission.

Mr. GORTON. Mr. President, I will object to the further consideration of this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

A BALANCE IN SALVAGE SALES IN TIMBER

Mr. BAUCUS. Mr. President, I first want to make a general observation with respect to the previous Senator's statement on the salvage sales. I think we all agree that we are striving for balance here; namely, we want to assure that dead, diseased, dying timber, that is, salvaged timber, is harvested appropriately. That means there is a

role to speed up salvage sales, but we also want to make sure we do not abuse our environmental statutes, abuse environmental protections.

I know the Senator, as all Senators are, is hoping to try to find the correct balance between those two extremes. One extreme is to go in and cut timber, dead, diseased, dying timber, and also green timber, as we do not want to abuse the salvage sale provision, but at the same time we want to make sure that our environmental statutes are adequately protected, because all Americans want balance and they want to make sure our forests are protected and want to make sure that they are also properly managed.

THE FUTURE OF MEDICARE

Mr. BAUCUS. Mr. President, it is all too easy for people in Washington to lose sight of what really matters. What really matters is how decisions made here in Washington actually affect average American families. The Medicare Program is a good example.

As the future of Medicare is debated, we are going to hear a lot of fancy words, a lot of concepts thrown around by both sides. But let us not forget that premiums, deductibles, copayments, and managed care mean nothing in and of themselves. Let us not lose sight of the bottom line. The bottom line is how the Medicare Program helps people, average, hard-working, descent people in my home State of Montana and across the Nation.

Are the proposed changes in Medicare going to actually help seniors live in dignity and security? Will they actually help average working families begin to plan for a secure retirement? Will they actually give these same families the peace of mind of knowing that they will not be forced to shoulder the costs of their parents' medical expenses?

Not long ago I was going through my mail from home and I came across a letter that helped drive these points home. It came from Mrs. Ethel Ostheller in Libby, MT. Libby, you might know, is a small town in the northwest corner of our State.

Mrs. Ostheller is 85 years old. She is widowed and lives off Social Security. She has had some serious health problems. She had a heart attack. She still owes a little over \$700 to the hospital, and she now pays about \$150 each month for prescription drugs, none of which is covered by Medicare.

She writes to me about these problems. Let me just read to you the closure of her letter which reflects her concern, but yet the optimism which is so typical of people across our country.

So with all of this, I'm worried [she writes]. I wonder what more can happen. But I'm not as bad off as lots of others. I'm trusting in God, living one day at a time, and I keep busy.

I think that typifies and represents the decency and the goodness and the basic common goodness of Americans.

How will any changes in Medicare affect people like Ethel Ostheller? That is what this debate is about. For her and thousands of other Montanans, Medicare is a health issue but also a pocketbook issue. It helps them plan for a secure retirement and to make ends meet. That is why we must work to assure that Medicare remains solvent and that the Medicare trust fund is not raided, not raided in order to pay for other programs or to pay for tax breaks for the very wealthy, as was the case in Speaker GINGRICH's budget last year. That is also why we must work to assure that the Medicare Program is run as efficiently as possible. Unfortunately, that is not the case for either Medicare or Medicaid today.

The General Accounting Office estimates that about 10 percent of Medicare's total costs result from waste, from fraud, from abuse. That is about \$18 billion this year; 10 percent wasted or lost through fraud or abuse.

We all know that \$18 billion is a lot of money, but let me put this in perspective: \$18 billion is enough money to run the government of the entire State of Montana for 6 years.

More to the point, \$18 billion is enough money to reduce the health care costs of every Medicare recipient by \$500 each year. That is \$500 each year Medicare patients now pay because of Government waste, fraud, and abuse in the Medicare Program. That drives up—that fraud and abuse—Medicare costs. It is robbing our seniors, robbing people like Ethel Ostheller, of hundreds of dollars each year.

How does this happen? Typically, it involves fraudulent billing practices by a Medicare or Medicaid provider; that is, a doctor or a hospital, one of the various providers. It occurs in every State in the Nation and in every segment of our health care industry. There have been abuses in ambulance services, clinical laboratories, medical equipment suppliers, home health care, nursing homes, physician and psychiatric services, and rehabilitation.

Let me cite some examples. These were uncovered by the General Accounting Office and also by the Senate Special Committee on Aging.

A medical equipment company in California billed Medicaid half a million dollars for merchandise they said they delivered to needy patients. What happened? It was a ruse. The patients did not need the equipment; the company never made delivery of the equipment, but they sent the taxpayers the bill anyway.

Another example: Medicare paid \$7.4 million to a company for surgical bandages that were never used.

And still another case in Great Falls, MT—unfortunately, my home State: An ophthalmologist overbilled Medicare by \$200,000. He was prosecuted and convicted by our U.S. attorney in Billings.

While these incidents may be extreme, they are not isolated. Frankly, I am disappointed with the Federal