

Last minute surprises. On November 3, Deputy White House Counsel Bruce Lindsey was deposed by the special committee. Not until the eve of his deposition did Lindsey supply the committee with Whitewater documents, and then, 12 days later, discovered another 80 pages of information.

With this new information, the special committee decided to depose Mr. Lindsey again, when, surprise, he once again provided additional documents on the eve of a deposition.

And just a few weeks ago, when we least expected it, boom—more documents from Bruce Lindsey.

Missing and redacted notes. On February 7 of this year, the White House released a redacted version of notes taken by then-White House Communications Director Mark Gearan from Whitewater response team meetings led in 1994 by White House Deputy Chief of Staff Harold Ickes.

But only on the day of Gearan's deposition was the unredacted version released—3 days before Gearan was scheduled to testify. When questioned, Gearan gave little explanation for why these, shall we say, colorful notes were not turned over in response to a committee subpoena for Whitewater documents issued over 3 months ago.

Overlooked documents. Upon receiving confirmation from the Gearan notes about Ickes' role in Whitewater, the committee requested any additional notes that might have been taken by Ickes.

Sure enough, less than 48 hours before Ickes was scheduled to testify, over 100 pages of notes and documents appeared on our doorstep, accompanied by the dubious explanation that the documents were mistakenly overlooked.

To top it off, how can one forget the long delayed discovery of Mrs. Clinton's billing records in the White House book room. Coincidences? Hardley.

The White House knows exactly what it is doing. Make no mistake about it.

Publicly, they claim to be the most forthcoming administration in history. And they point to the tens of thousands of pages of documents they have turned over as evidence.

Only after you leaf through the piles, and see first hand the fragments, the redactions, and the irrelevant information the White House has provided do the pieces of the puzzle begin to fit together in the image of a stone wall.

I've often compared it to looking for a needle in a haystack—the trouble is, when we ask for the needle, the White House gives us the haystack. And now, they want to say "Times up. We win."

Mr. President, when we started this investigation, our purpose was to examine the reasons for the taxpayer-financed \$60 million failure of one Arkansas savings and loan. But what we have uncovered, in Washington and in Arkansas, is enough to make any ethical person cringe—and still, many questions remain.

It is these findings and unresolved questions which lead me to wonder why our Democratic colleagues have chosen to filibuster this investigation, rather than let us gather the facts and complete our job.

There has already been a great deal of speculation in the public's eye over issues related to Whitewater and the death of Vince Foster. We cannot afford to leave these questions—or to give the American people reason to doubt the integrity of our efforts.

Mr. President, we have a choice. We can either continue our investigation and get to the bottom of this whole affair or we can give up. We can begin dismantling the White House's stone wall piece by piece or we can throw our hands up in the air and allow the Senate to become just another part of a potential Whitewater coverup.

Mr. President, we cannot allow that to happen.

We have a responsibility to uncover the truth to every taxpayer whose hard-earned dollars bailed out Madison Guaranty, to every citizen who questions the honesty and integrity of their Government, to every American who believes in the saying, long forgotten in Washington, about "the truth, the whole truth, and nothing but the truth."

If it takes us days, weeks, or months to wipe the Government clean from the tarnish of Whitewater, then that is what we must do. The Senate cannot continue to wash its hands of this responsibility. The investigation must continue. If it takes us days, weeks, or months to wipe the Government clean from the tarnished Whitewater, then that is what we must do. The Senate cannot continue to wash its hands of this responsibility. The investigation must continue.

Now, I know my colleagues argue many points, but I believe they ignore the merits. They argue time and money, but they ignore the facts. They say, "What is the big deal about Whitewater?" But, again, they ignore the fact that nearly two dozen friends and associates of the Clintons have become casualties of Whitewater being sent back home in disgrace, charged or convicted of crimes related to Whitewater, or even worse.

And, also, they charge that the investigation is political, but they ignore the fact that it would be more political to end this investigation without getting the answers. It is political, but the politics are being played by the White House and our Democratic colleagues in not allowing this investigation to continue. If there is nothing to fear, why not get the job done and put it behind us?

Thank you very much, Mr. President. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

BALANCED BUDGET DOWNPAYMENT ACT, II

The Senate continued with the consideration of the bill.

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

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

AMENDMENT NO. 3473

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Iowa and the distinguished Senator from Pennsylvania for their work in bringing us to this point on one of the most important aspects of this omnibus appropriations bill, the education amendment. Yesterday we offered an amendment with an expectation that we could restore full funding to the 1995 level. This legislation does that. There was some miscalculation as to the funding level required to bring us to fiscal 1995 levels for title I. As I understand it, the question relating to how much funding would be required to do just that has been resolved.

I am satisfied that this does restore the fiscal 1995 level for title I, as well as for the other educational priorities identified in the underlying amendment. So, clearly, this agreement is a very significant development. It ought to enjoy the support of both sides of the aisle. I hope we can get unanimous support for it. It removes what I consider to be one of the most important impediments to bringing us to a point where we can get broad bipartisan support for final passage of this bill.

So, again, I thank the leadership of the Senator from Iowa, and certainly the Senator from Pennsylvania. I hope that all of our colleagues can support it. I hope we can work together on a bipartisan basis to reach similar agreements on other outstanding differences related to this legislation, including funding levels for the environment, crime, and technology. We also need to remove the contentious riders the House included in their version of the bill. I believe that if we did that this afternoon, we could put this bill on the President's desk before the end of the week and, at long last, resolve the many problems we have had with these appropriations bills.

I yield the floor, and 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. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—84

Abraham	Exon	Mack
Akaka	Feingold	McConnell
Baucus	Feinstein	Mikulski
Bennett	Ford	Moseley-Braun
Biden	Frist	Moynihan
Bingaman	Glenn	Murray
Bond	Gorton	Nickles
Boxer	Graham	Nunn
Bradley	Grassley	Pell
Breaux	Harkin	Pressler
Brown	Hatfield	Pryor
Bryan	Hefflin	Reid
Bumpers	Hollings	Robb
Burns	Hutchison	Rockefeller
Byrd	Inouye	Roth
Campbell	Jeffords	Santorum
Chafee	Johnston	Sarbanes
Cochran	Kassebaum	Shelby
Cohen	Kennedy	Simon
Conrad	Kerrey	Simpson
Coverdell	Kerry	Snowe
D'Amato	Kohl	Specter
Daschle	Lautenberg	Stevens
DeWine	Leahy	Thomas
Dodd	Levin	Thurmond
Dole	Lieberman	Warner
Domenici	Lott	Wellstone
Dorgan	Lugar	Wyden

NAYS—16

Ashcroft	Gregg	McCain
Coats	Hatch	Murkowski
Craig	Helms	Smith
Faircloth	Inhofe	Thompson
Gramm	Kempthorne	
Grams	Kyl	

So, the amendment (No. 3473) was agreed to.

AMENDMENT NO. 3467

The PRESIDING OFFICER. The question is on agreeing to the Daschle amendment No. 3467, as amended.

So the amendment (No. 3467), as amended, was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today in support of Senator HATFIELD's proposal in the omnibus bill before us to remove restrictions on U.S. funding of international family planning. These restrictions are part of the foreign operations bill which was folded into the last CR. Senator HATFIELD's initiative is a necessary and welcome step: necessary because the restrictions risk the lives and health of women and children in the developing world; welcome because the United States should not be forced by these ill-conceived restrictions to abdicate its proven leadership in international family planning.

Voluntary efforts to limit population growth must remain a principal priority of U.S. foreign assistance. The failure to fund adequately international family planning efforts in the developing world has dire consequences. The restrictions currently on the books will result in 4 million unwanted pregnancies in developing countries. Of these unwanted pregnancies, an estimated 1.6 million will end in abortions. Thus, these restrictions have as a direct and alarming

consequence a result contrary to their purported purpose of trying to minimize abortions. The restrictions do not decrease abortions, they increase them. Other statistics speak for themselves. In Russia, a lack of family planning services has made abortion the chief method of birth control. The average Russian woman has four abortions over her lifetime. In countries with effective family planning, though, such as Hungary, abortion rates have dropped dramatically.

But this debate is not just about abortion. A lack of adequate family planning and population efforts leads directly to a severe degradation of the lives and health of mothers and children. U.S.-funded programs, rather than promote abortion, seek to promote safe contraception, thus allowing women to space their pregnancies, a step crucial to the health of the mother and the survival of the child. If the CR funding restrictions are left in place, 8,000 more women will die in pregnancy and childbirth, including from unsafe abortions, and 134,000 more infant deaths will occur. Inadequate family planning also contributes to dangerous strains on already heavily taxed environments, while unbridled population growth has a serious impact on education efforts in countries where money for such programs is scarce. Such a strain on education is an indirect cost of these restrictions, but one with dire long-term consequences.

It is worth emphasizing that prohibitions on U.S. funding for abortions have been on the books since 1973.

USAID has consistently sought to prevent abortions by offering viable alternatives, alternatives available only through adequate education. AID's programs are widely recognized as the most efficient and effective population planning programs in the world.

These shortsighted restrictions endanger the long-term goals of improving the lot of women and children in the developing world, with potentially catastrophic results.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Christian Science Monitor of February 9, 1996.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL EFFORT TO CURB GLOBAL
ABORTION MAY BACKFIRE

(By George Moffett)

WASHINGTON.—A CONGRESSIONAL move to limit abortion and family planning may have a dramatic unintended consequence: It could actually cause the global abortion rate to rise.

Encouraged by the Christian Coalition and anti-abortion groups, Congress last month made deep cuts in United States funds for family-planning programs abroad. But demographers, and even some anti-abortion activists, are warning that the cuts for family planning will lead to more unintended pregnancies—and that more, not fewer, abortions are likely to result.

"We embraced the probability of at least 4 million more abortions that could have been

averted if access to voluntary family-planning services had been maintained," Sen. Mark Hatfield (R) of Oregon told his Senate colleagues this week. "These numbers are as disturbing as they are astounding, particularly to those of us who are faithfully and assertively pro-life."

The US has been barred from funding abortion services overseas since 1973. But anti-abortion activists in the US urged Congress to cut support for family-planning programs concerned that such programs indirectly promote abortion.

"Population control that has to do with education and the use of contraceptives was not the issue," says Rep. Sonny Callahan (R) of Alabama, chairman of the House Appropriations subcommittee that deals with foreign aid. "The issue is trying to stop the US from providing any money that might be used for abortions."

"Our concern is that services for abortion are being provided by family-planning agencies," adds a spokesman for the Christian Coalition, based in Chesapeake, Va.

Lawmakers trimmed funding for population assistance by 35 percent in a foreign-aid bill that was incorporated into a "continuing resolution" to keep the federal government running until mid-March.

In addition to budget cuts, the legislation imposes unprecedented restrictions on family-planning programs funded by the US Agency for International Development (AID). AID is now barred from obligating any money before July 1 and only small monthly parcels thereafter process that leaves only 14 percent of the amount appropriated in 1995 available for use in fiscal year 1996, and which, AID officials complain, will confound the process of long-term planning.

Republican sources on Capitol Hill say cuts in family-planning funds are part of an across-the-board drive to reduce federal spending. As for restrictions on how the money is spent, says one House source, they reflect the new balance of power in the 104th Congress in favor of those who believe that family-planning agencies promote abortion—a charge family planning advocates hotly deny.

Family-planning advocates cite evidence indicating that cuts in family-planning services will lead to sharp increases in abortion. They point to Russia, where the absence of family-planning services has made abortion the chief method of birth control. The average Russian woman has at least four abortions over a lifetime.

"The framers of the family-planning language in [the continuing resolution] ensured, perhaps unintentionally, that the gruesome experience of Russian women and families will be replicated throughout the world, starting now," Senator Hatfield says.

Conversely, where family-planning services have been introduced, as in Hungary, the abortion rate has dropped dramatically.

Some 50 million couples around the world now use family-planning services paid for by US government funds. The one-third budget cut could mean one-third that number, or 17 million couples, will lose access to family planning. If funds are not found from other sources, according to projections by Population Action International, a Washington-based advocacy group.

"More than 10 million unintended pregnancies could result annually," says Sally Ethelston, a spokeswoman for the group. "That could mean at least 3 million abortions, at least half a million infant and child deaths, and tens of thousands of maternal deaths."

Without family-planning services, more pregnancies will occur among younger women, older women, and women who have not spaced pregnancies by at least two years,

which is considered the minimum time needed to protect the health of mother and child.

The US has taken the lead since the 1960s in funding family-planning programs in poor nations. Since then, global contraceptive use has risen fivefold; fertility (the average number of children born to a woman during her reproductive years) has dropped by one-third; and the rate of global population growth has begun to slow.

Even so, the world grows by 1 million people every 96 hours, and the populations of most poor nations are projected to double within 20 to 30 years. AID officials say the cuts will retard the incipient family-planning movement in Africa, where population growth is fastest. "If this proves to be something that does increase abortion, we'd take another look at our position," says the Christian Coalition spokesman.

Mr. JEFFORDS. I urge my colleagues to support lifting these restrictions on programs with vital U.S. interests. I yield to the Senator from South Carolina.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

AMENDMENT NO. 3474 TO AMENDMENT NO. 3466

(Purpose: To provide funding for important technology initiatives with an offset)

Mr. HOLLINGS. Mr. President, I have an amendment at the desk and ask, on behalf of myself, Senator DASCHLE, Senator KERRY, Senator LIEBERMAN, Senator BINGAMAN, Senator ROCKEFELLER, Senator LEAHY, Senator LAUTENBERG and Senator KERREY, the clerk to please report it.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for himself, Mr. DASCHLE, Mr. KERRY, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. LEAHY, Mr. ROCKEFELLER, and Mr. KERREY proposes an amendment numbered 3474 to amendment No. 3466.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HOLLINGS. Mr. President, this is the technology amendment. I ask unanimous consent that I be able to yield to the distinguished Senator from California, who wishes to make a brief statement as in morning business.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair, and I particularly thank Senator HOLLINGS.

Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 10 minutes.

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

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of S. 1607 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HOLLINGS. I have been informed by the Parliamentarian, since the Daschle education amendment has passed, that the present amendment on technology needs to be conformed. I ask unanimous consent the Parliamentarian conform it in accordance with the Daschle amendment in the bill as it now appears.

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

Mr. HOLLINGS. Mr. President, this amendment restores funding for five important technology programs that are significant investments in our country's future. They focus on three critical areas: Economic growth, education, and cost-effective environmental protection. The spending we propose in this amendment is fully offset, and the Congressional Budget Office has scored that offset at providing more than is needed for the programs we restore.

The distinguished Senator from Iowa has been the principal sponsor also of the offset, which deals with accelerated collection by the Federal Government. We, as cosponsors, are indebted to him for his leadership. Otherwise, the distinguished Senator from Maryland, Senator MIKULSKI, has really led the way for our Environmental Protection Technology Program.

Specifically, the amendment invests five important technology programs. It restores funding for four of them: A \$300 million add-back for the Department of Commerce's Advance Technology Program, which contracts with industry to speed the development of new breakthrough technologies; \$32 million more for the Telecommunications and Information Infrastructure Assistance Program at the National Telecommunication and Information Administration; an additional \$4.5 million for the Technology Administration at the Department of Commerce, including \$2.5 million to honor commitments under the United States-Israel Science and Technology Commission; and a \$62 million addition for the Environmental Technology Initiative at the Environmental Protection Agency, an important effort to develop innovative and cost-effective ways to protect the environment. These add-backs total \$398.5 million.

In addition, the amendment specifies that \$23 million that is already in title I of the committee amendment is to go to the Education Department's Technology Learning Challenge Program. These five programs promote innovative new technologies—technologies, Mr. President, that can improve schools, protect the environment at lower cost, and create new industries and jobs to replace employment lost through never-ending downsizing and layoffs. We must invest now to benefit from those new technologies tomorrow. This amendment does that job.

The amendment fully offsets these add-backs through a provision that would significantly improve the collection of delinquent Federal debts. It

puts the squeeze on deadbeats who have not repaid money owed to the Federal Government. The Congressional Budget Office has scored this provision as raising \$440 million in fiscal year 1996—more than enough to cover the add-backs.

Mr. President, I want to turn first to investment in new job-creating technologies. I particularly want to focus on the Advanced Technology Program at the Department of Commerce. The Advanced Technology Program contracts with companies on a cost-shared basis to speed the development of new breakthrough technologies that offer great promise for the Nation but are too untested for the regular marketplace to fully fund. Just as other Federal research and development programs work through companies to develop the technologies needed for Government missions such as defense and space, the Advanced Technology Program works with companies in support of the critical Federal mission of promoting long-term economic growth and job creation.

The amendment now before the Senate provides \$300 million for the ATP. The \$300 million level is significantly below the \$341 million available for the program just last year in 1995. Currently, H.R. 3019 provides no 1996 funds for this important program, although the committee amendment's unfunded title IV would provide \$235 million to support existing awards.

Mr. President, I want to talk about several points in this important program.

First, we are talking here about jobs. The Advanced Technology Program supports a vital mission of Government—promoting long-term economic growth. The voters know that America faces tough economic times. Foreign competition remains fierce, American companies continue with never-ending downsizing, and voters are understandably anxious and upset. It is ironic indeed that the Government spends billions in research and development dollars each year for defense security, but we are still debating the R&D efforts to promote economic security.

Increasingly, new industries, jobs, and wealth will go to those who are fastest at developing and then applying new technologies. And if we are to save as many jobs as possible in existing industries, they too need to be technologically competitive. The ATP works to turn promising laboratory ideas into practical breakthrough technologies—technologies that the private sector itself will develop into new products and processes. And, we hope, technologies that American companies and American workers will turn into products before our overseas competitors do so.

The Federal Government has long worked with industry to speed the development of important new technologies. Industry-government partnerships helped start entire U.S. industries—from the telegraph and agriculture to aircraft and biotechnology

to computers and the Internet. These government investments paid off enormously for the Nation and its workers.

We won the race to develop those technologies. But will we win others? I started the ATP because I saw our competitors overseas moving to develop and commercialize American ideas before we could, in areas such as superconductivity.

And the race continues. Numerous small ATP winners tell us that their foreign competitors are often no more than 12 to 18 months behind them. This is not surprising. While American firms have difficulty getting private capital for long-term research that will not pay off quickly, other governments invest heavily in programs to support civilian technology. This year, the Japanese will spend \$1.4 billion on national technology research programs for industry. The European Union is investing \$14.4 billion over 5 years in 20 specific areas of research and technology, and individual European governments are investing additional R&D amounts to help their economies.

With the fall of the Berlin Wall and the explosive growth of foreign technology programs, we need not only Defense Department research programs but also economic growth programs such as the ATP. And given the economic insecurity facing the country, we should increase the ATP, not cut it. We need to help American industry accelerate the development of new technologies, new industries, and new jobs. If you want to let other countries win the technology race, then kill the ATP.

Second, Congress has a serious obligation to honor our commitments to companies and workers in ongoing ATP projects. The pending bill acknowledged this when it included \$235 million in the unfunded title IV of the bill. I commend Chairman HATFIELD for including that provision. He put that in so that if Congress can find the money, then fiscal year 1996 commitments to some 200 current multiyear projects will be kept. Our amendment has an actual offset for that \$235 million, as well as enough additional money to have a small new ATP competition in fiscal year 1996. Not passing our amendment will, in fact, abruptly reduce the ATP from its fiscal year 1995 level of \$341 million to a fiscal year 1996 level of zero—a draconian move that will hurt companies across the country. It will particularly hurt the 100 companies in 25 States that won awards in fiscal year 1995 and now need fiscal year 1996 funding to continue their multi-year projects. These companies have hired staff and committed their own matching funds.

Third, I want to emphasize that over the years the ATP has actually enjoyed strong bipartisan support. The law creating the program passed during President Reagan's second term, and the ATP received its first funds during the Bush administration. Mr. Bush's Commerce Department wrote the rules for the ATP, and did a good job. President

Bush himself requested budget increases, and in 1992 14 Republican Senators on a defense conversion task force endorsed it. See "Report of the Senate Republican Task Force on Adjusting the Defense Based," June 22, 1992.

Unfortunately, in 1994 politics intruded because some Senators worried that ATP grants might be made in a political fashion. But this is the purest program you will find. Expert panels make the decisions—not the Secretary of Commerce, not the White House, not any Member of Congress. Several States that have no Democratic Senators or Governor do very well under the ATP, including Texas and Pennsylvania. The ATP now supports 276 research projects around the country, involving 757 research participants in 41 States. The ATP is not porked, has never been porked, and is not used for partisan purposes.

Fourth, the ATP is not corporate welfare. This program is not a handout to deadbeats. The purpose of the ATP is not to subsidize companies but to contract with the best companies to develop technologies important to the Nation as a whole. Companies also pay half the costs, hardly welfare. Moreover, no ATP funds are ever used to subsidize product development in companies; it supports only development work up to basic prototypes. More than half the awards go to small firms or joint ventures led by small firms.

Fifth, both the ATP itself and the larger principle of industry-government technology partnerships enjoy solid support and excellent evaluations. In terms of industry's views, I want to quote first an important July 1995 policy statement by the National Association of Manufacturers (NAM) about technology partnership programs in general:

The NAM believes that the disproportionately large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. . . . In particular, partnership and bridge programs should not be singled out for elimination, but should receive a relatively greater share of what federal R&D spending remains. These programs currently account for approximately 5 percent of federal R&D spending. The NAM suggests that 15 percent may be a more appropriate level.

Groups explicitly endorsing the ATP include the Coalition for Technology Partnerships, a group of over 100 companies and other research organizations, and the Science and Technology Working Group, representing over two dozen scientific and engineering societies and other organizations. These groups see the ATP as an important investment in America's future prosperity and strength.

In addition, the General Accounting Office [GAO] has conducted two reviews of the ATP in the past year. Despite some assertions to the contrary, they speak highly of the program. GAO found that the ATP had succeeded in

encouraging research joint ventures, one of its purposes; that ATP winners did indeed often have trouble getting private funding because the research was too far from immediate market results; and even those companies that would have continued their research without ATP awards would have done so much more slowly or at a lower level of effort.

A January 1996 report conducted by Silber and Associates provided further positive comments from industry. Of the companies surveyed, many maintain that the ATP has been the lifeblood of their company's innovative research efforts, permitting them to venture into arenas new to U.S. industry.

Sixth, while the ATP is still new, it already has generated some real technical successes—successes that in the years ahead will create jobs and broad benefits for our Nation. Later, I will submit for the RECORD a detailed list of accomplishments, but for now I want to mention three particular cases.

With help from ATP, Aastrom Biosciences of Ann Arbor, MI, has developed a prototype bioreactor that can grow blood cells from a patient's own bone marrow cells. In 12 days, the bioreactor will produce billions of red and white cells identical to the patient's own—cells that then can be injected into the patient to boost the immune system. The benefits from this system will be astounding. Now that the basic technology has been proven and patented, Aastrom has received \$20 million in private funds to turn the prototype into a commercial product.

With ATP help, the Auto Body Consortium—consisting of eight auto suppliers, with support from Chrysler, General Motors, and the University of Michigan—have developed a new measurement technology to make assembly-line manufacturing more precise. The result will be better fit-and-finish in car production, resulting in lower manufacturing costs and lower car maintenance costs. The new system is now being tested.

Diamond Semiconductor of Gloucester, MA, used its ATP award to develop a new, risky technology for helping to reliably use much larger semiconductor wafers—the slices of silicon on which computer chips are built. Diamond Semiconductor's equipment can be used to make 12-inch wafers, holding many more chips than the old 8-inch wafers. Now that the technology is proven, a much larger company, Varian Associates, has invested in turning this system into a commercial product.

Finally, there is one other key point. The President supports this program and opposes any effort to abruptly terminate it. It is a fact that when he vetoed the earlier fiscal year 1996 Commerce, Justice, State conference report he cited two main reasons—cuts in the COPS Program and elimination of the ATP. ATP funding is needed in order to get the President's signature and get on with finishing appropriations bills for this current fiscal year. The sooner

we resolve the ATP issue, the sooner we get on with solving this protracted budget impasse.

Mr. President, the ATP is one of our most investments in long-term economic growth and jobs. For that reason, we need to pass the pending amendment and fund the ATP.

INFORMATION INFRASTRUCTURE ASSISTANCE

Mr. President, this amendment also adds \$32 million to the current bill's \$22 million for fiscal year 1996 funding for NTIA's Telecommunications and Information Infrastructure Assistance Program [TIIP]. The fiscal year 1995 figure was \$42 million.

TIIP is a highly competitive, merit-based grant program that provides seed money for innovative, practical information technology projects throughout the United States. TIIP helps to connect schools, libraries, hospitals, and community centers to new telecommunications systems. Examples include connecting schools to the vast resources of the Internet, improved health care communications for elderly patients in their homes, and extending emergency telephone service in rural areas. Projects are cost shared, and have yielded nearly \$2 of non-Federal support for every Federal dollar spent. Many of the awards go to underserved rural and inner-city areas.

In fiscal year 1995, NTIA received 1,811 applications, with proposals from all 50 States, and was able to fund 117 awards.

With the recent enactment of the Telecommunications Act of 1996, more communities that ever will be faced with both new information infrastructure challenges and opportunities. Schools, hospitals, and libraries all need help hooking up and applying this technology to their needs. The money this amendment would provide for fiscal year 1996 will enable dozens of additional communities to connect to, and benefit from, the new telecommunications revolution.

TECHNOLOGY ADMINISTRATION

Our amendment also would add \$4.5 million to the \$5 million that H.R. 3019's title I provides to DOC's Technology Administration [TA] appropriations account. Of that additional amount, \$2 million will help TA and its Office of Technology Policy [OTP] maintain its role in coordinating the new-generation vehicle project, organizing industry benchmarking studies, and serving as the secretariat for the United States-Israel Science and Technology Commission. The other \$2.5 million is for a new activity endorsed by the Committee amendment's title IV—actual joint projects between the United States and Israel in technology and in harmonizing technical regulations so as to promote high-technology trade between the countries.

ENVIRONMENTAL TECHNOLOGY AND EDUCATIONAL TECHNOLOGY

Mr. President, I will let others speak in greater detail about two of the programs covered in this amendment—en-

vironmental technology and educational technology. But I want to mention them briefly here.

The amendment contains a \$62 million add-back to support activities under the EPA's environmental technology initiative [ETI]. The program has two main purposes—to help accelerate the development, verification, and dissemination of new cleaner and cheaper technologies, and to accelerate efforts by EPA and state environmental agencies to rewrite regulations so that they do not lock in old technologies. Innovative environmental technologies offer a win-win opportunity—high levels of protection at lower costs for industry. In the process, we also can help a growing U.S. industry that exports environmental protection technology and creates jobs here at home. The \$62 million will help with these important activities.

In the case of educational technology, title I of the committee amendment to H.R. 3019 already provides additional funds for educational research and technology, and I commend members of the Appropriations Committee for that step. Our amendment would simply clarify that of those funds now in title I of the bill, \$23 million is for the highly regarded technology learning challenge grants.

This is a competitive, peer-reviewed program. Under this program, schools work with computer companies, software companies, universities, and others to develop innovative software and computer tools for improving basic classroom curricula. The challenge grants are seed money for alliances of educators and industrial partners to develop new computer applications in reading, writing, geometry and other math, and vocational education. In short, we are developing new ways to use computers to improve learning.

In the first competition, held last year, the Education Department received 500 proposals and was able to make only 19 awards. Clearly, there are many more outstanding, valuable proposals out there. The \$23 million of fiscal year 1996 funding would allow more of these important projects.

THE OFFSET: IMPROVED DEBT COLLECTION

Before concluding, Mr. President, I want to mention briefly the offset that this amendment provides to pay for these technology program add-backs. As mentioned, CBO has scored this proposal as providing \$440 million in fiscal year 1996 funds, more than enough to offset the \$389.5 million in add-backs included in the amendment.

The offsetting funds come from a upgraded Federal process, created in this amendment, for improving the collection of money owed to the Government and for denying certain Federal payments to individuals who owe such money to the Government. In short, we will not give certain Federal payments to people who are delinquent in paying their debts to the Government, and we will give Federal agencies new authority to collect such debts.

The Government estimates that the total amount owed to the Government—including both nontax debt and tax debt—in 1995 was a staggering \$125 billion. The Internal Revenue Service already has authority under law to withhold Federal tax returns for delinquent Federal debts, and the Treasury Department's Financial Management Service may hold back certain nontax Federal benefits for delinquent Federal debts.

So far, the Treasury Department has collected over \$5 billion in bad debt through reductions—offsets—in Federal tax credits. But there is a larger problem. Many other Federal agencies do not have the resources to invest in debt collection, or their mission does not include debt collection, or they face too many restrictions in using the available tools. On March 22, 1995, the President's Council on Integrity and Efficiency, which is composed of agency inspectors general, reported on the need for a Governmentwide system of reducing Federal payments to delinquents.

Based on this problem, legislation has been proposed by a bipartisan group of legislators, acting with the support of the administration. In the House, the main bill is H.R. 2234, the Debt Collection Improvement Act, introduced by Congressman HORN, Congresswoman MALONEY, and others. The Senate companion bill is S. 1234, introduced by our distinguished colleague from Iowa, Senator HARKIN. Finally, a version of this proposal was included in the House version of last year's budget reconciliation legislation, H.R. 2517. So this idea of improving Federal debt collection enjoys strong bipartisan support.

As included in our amendment, the debt-collection proposal has several key provisions. First, the Treasury will be able to reduce certain Federal payments to individuals who owe the Government money. Veterans Affairs benefits would be exempt from this offset process. Other benefit payments such as social security, railroad retirement, and black lung payments will reduce after a \$10,000 combined annual exemption. Other agencies can cooperate in this process by giving information to the Treasury regarding delinquent debt, although steps will be taken to protect the legitimate privacy of individuals.

Second, Federal agencies will have access to the computerized information and can dock the pay of Federal employees who owe the Government money.

Third, people who have delinquent Federal debts will be barred from obtaining Federal loans or loan guarantees.

Fourth, the Social Security Administration, the Customs Service, and the legislative and judicial branches of the Federal Government will be authorized to use debt collection tools, such as credit bureaus and private collection agencies.

Mr. President, this is a sound proposal for collecting money from deadbeats and docking their Federal payments until they pay the funds they owe. It is fair, and it simply improves the process for carrying out debt-collection authorities agencies already have.

CONCLUSION

Mr. President, America's success at home and abroad is like a stool that rests on three legs. First, our strength and success depend on our military power, which is now undisputed in an age where we are the world's only superpower. Second are our values, of family and country. They are strong and can be stronger still. The third leg, though, is our economic strength. And here we face serious challenges. As the New York Times has recently documented, too many Americans live with growing economic insecurity. Layoffs abound, and many of the jobs that once went to Americans have gone overseas.

Accelerating the development of new high-technology industries and jobs is not a complete solution. We also need a vigorous trade policy to pry open foreign markets and reduce unfair dumping of foreign products. We need better education and training for all Americans. We need to make real progress, not phony progress, on the Federal deficit, so that interest rates can fall further.

But technology policy is one key step in national economic recovery and strength, and the four programs this amendment supports are key parts of an effective, nonporked national technology policy. We know that earlier technology cooperation between industry and Government has helped create entire American industries—from agriculture to aircraft to computers and biotechnology. Much of Government's support came through the Defense Department, which was appropriate during World War II and the cold war. But now the Berlin Wall has fallen, and now our Nation's greatest challenge is economic, not military. We therefore need to strengthen civilian programs to stimulate technologies important to the civilian economy and civilian jobs. To do less is to condemn our Nation and its workers in the long run to second-rate status and more, not less, economic insecurity.

For these reasons, I urge our colleagues to pass this important amendment.

Mr. President, at this point I want to make a few additional points about the importance of technology and the Advanced Technology Program in particular. To begin with, we must remember that our strength as a Nation is like a three-legged stool. We have the one leg—the values of the Nation—which is unquestionably strong. We have sacrificed for the hungry in Somalia, for democracy in Haiti, for peace in Bosnia. We have the second leg, Mr. President, of military strength, which is also unquestioned. But the third leg—that of economic strength—has

become fractured over the past 45 years in the cold war—intentionally, if you please, because we sacrificed to keep the allies together in the cold war. So we willingly gave up market share trying to develop capitalism not just in Europe, but particularly in the Pacific rim, and it has worked. The Marshall Plan has worked. With the fall of the Berlin Wall, however, now is the time to rebuild the strength of our economy.

Our problem is, right to the point, that you can willingly—for national defense, military security—conduct research without any matching funds whatever. You can go right to the heart of it and give out the money. But all of a sudden, Mr. President, when we come to the matter of economic security—which is really the competition now in global affairs—we hear criticism even though the ATP requires matching funds, a dollar of private money for every dollar of Government money we expend. The law requires 50 percent from industry. The track record is 60 percent of the money by industry itself. Yet when they come with it, all of a sudden we hear talk about pork.

Let me take up the matter of pork because that is the reason we are into this particular dilemma. The program at hand is working in most of the 50 States with hundreds of different contracts awarded. They are awarded over for 3- and 5-year periods, and they have led into commercialization, which we will soon touch upon.

Senator DANFORTH and I set this up in the late 1980's. I was chairman of the Commerce Committee at that particular time. We wanted to make sure, back in 1988—the Trade Act of 1988 is where it was added—we wanted to make sure that it would not be exactly what is it accused of being today, namely, pork. So we set down various guidelines in the particular measure itself, and it was implemented in a very, very successful way by, I should say, President Bush's administration. No. 1, the industry has to come and make the request. It is not the Government picking winners or losers. It is the industry picking the winner. They have to come with at least 50 percent of the money.

Thereupon, the experts in technology and business, including retired executives selected by the Industrial Research Institute, have to peer review the particular proposals. Mr. President, they have to look it over and make sure that the submission would really pass muster. I know it particularly well because my textile industry came with a request for computerization that they thought was unique. But it did not pass muster and was not given the award. They do not have an Advanced Technology Program award. Incidentally, I guess they heard ahead of time about my discipline of not making any calls. I never made a call to the White House or anybody in the Commerce Department in favor of any proposal. I would rather, at the markup of

the appropriations bill, have turned back efforts on the other side of the Capitol to try to write in these particular projects.

So we have protected the authenticity of the program as being nonpork. Thereupon, having passed peer review, highly ranked proposals have to go to a source selection board. The source selection board are civil servants, as we all know, of no political affiliation. On a competitive basis, they make the decision, not Secretary BROWN, not President Clinton, not Senator HOLLINGS, or any other Senator or Congressman, but, rather, that is the way these awards have been made. There have been no violations of it. We are proud of its record. That is why it has the confidence of the National Association of Manufacturers. That is why it receives the endorsement of the Council on Competitiveness, and every particular industry group you can possibly imagine have come forward and said this is the way to do it. That has to do with the pork part. The other part with respect to the long-range financing for long-term technologies has to be understood.

Back at that particular time, when we were writing the legislation years ago, Newsweek reported an analysis predicting that maintaining the current hands-off policies toward industry and research, namely, the matter of commercialization of our technology, could cause the United States to be locked into a technological decline. They said, and I quote, that it would add \$225 billion to the annual trade deficit by the year 2010 and put 2 million Americans out of work.

There are various other articles we had at that particular time, and witnesses. I quote particularly from Alan Wolff:

In 1990, a Wall Street analyst commented to a group of U.S. semiconductor executives that the goal of people investing in stocks is to make money. That is what capitalism is all about. It is not a charity. I can't tell my brokers, "Gee, I am sorry about your client, but investing in the semiconductor industry is good for the country." While the individual was stating a truth, obviously, he was touching on a fundamental dilemma confronting U.S. industry today in light of the investor sentiment expressed above. How is a company to maintain the level of investment needed to remain competitive over the long term, particularly if there is no prospect of a short-term or short-run payoff, or foreign competition has destroyed the prospect of earning a return on that investment?

That is the points that answers a charge sometimes made with respect to two recent GAO reports. Critics of the Advanced Technology Program quote GAO's statement where it said that half of those who had been given awards, when asked if they would have continued their research without the awards, said they would have continued. But by way of emphasis, these critics do not mention the next GAO finding, namely, that none of them said they would have ever continued as

quickly or with the same degree of investment. With Government assistance, they are able to expedite their research and therefore have been able to meet the foreign competition. But note that GAO reported that half the winners said they would not have continued their research without Government assistance. They would have abandoned it.

We would have lost valid, good research projects without this Advanced Technology Program. I think the emphasis should be made at this particular time that GAO has made a favorable report, and that the program is doing exactly what was intended to do. It confronts exactly the particular dilemma we find ourselves in with respect to the operation of the stock market. It can go up 171 points one day and come back 110 points the next day. They look for short-term turnarounds and everything else of that kind, and does not focus on the long-term, including long-term technologies. That is why the working group headed by the distinguished Senator from New Mexico, Senator BINGAMAN, calls for the various securities law reforms. So we can do away, perhaps, with the quarterly report and actually meet the long-term investment competition that we confront, particularly in the Pacific rim.

Again, I want to emphasize that expert panels make the decisions, not the Secretary of Commerce. Several States that have no Democratic Senators or Governor do very well in the ATP, including Texas and Pennsylvania. The Advanced Technology Program now involves some 760 research participants. It supports 280 projects around the country and in some 41 States.

The Advanced Technology Program is not corporate welfare. It is not a handout to deadbeats. The purpose of the Advanced Technology Program is not to subsidize companies but to contract with the best companies to develop technologies important to the Nation as a whole. Companies must pay, as I pointed out, at least half of the amount when they come and may apply to the Advanced Technology Program. The ATP itself is the larger principal of industry-Government technology partnerships which enjoy solid support and excellent evaluations.

In terms of industry's views, I want to quote first an important July 1995 policy statement by the National Association of Manufacturers:

The National Association of Manufacturers believes that the disproportionately large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. In particular, partnership and bridge programs should not be singled out for elimination, but should receive a relatively greater share of what Federal R&D spending remains. These programs currently account for approximately 5 percent of Federal R&D spending. The National Association of Manufacturers suggest that 15 percent may be a more appropriate level.

The figure we have in the particular amendment is \$41 million less than the fiscal year 1995 level—\$131 million less than the original 1995 level that existed before rescissions. We propose that there be a cut, not even a freeze. Of our \$300 million, we are trying to bring up some \$235 million to honor commitments to projects that have already received their awards and now need to complete them. We do not want to cut them off in half completion.

Let me commend the distinguished chairman of our Appropriations Committee, Senator HATFIELD of Oregon, in realizing and confronting this problem. He did not have the money. He put the \$235 million in title IV, but he said, "Look, if we can possibly find the money in offsets in title IV, then this should be completed." It is not a way for the Government to do business and build up the confidence that is so much besieged this day and age. The Government is trying to build up these partnerships and work together in research with industry and with the college campuses. It is wrong to take valid programs that have no objection to them, no pork, no waste, fraud, and abuse, and only tremendous success, and then come with a fetish against them because they appear as pork to some on the other side of the Capitol, and then to walk lockstep like it is part of a contract.

We had, in qualifying this program, by way of emphasis, a series of hearings back in the 1980's. We also had soon after that particular time the Competitiveness Policy Council, with many members appointed by President Reagan. He appointed the former head of the National Science Foundation, Erich Bloch, who was designated chairman of the Council's Critical Technologies Subcouncil. They endorsed the ATP.

I ask unanimous consent that the critical technology subcouncil listing of these outstanding individuals be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPETITIVENESS POLICY COUNCIL

CRITICAL TECHNOLOGIES SUBCOUNCIL, 1993

Chairman Erich Bloch, Distinguished Fellow, Council on Competitiveness.
David Cheney, Staff Director.

MEMBERSHIP

Eleanor Baum, Dean, Albert Nerken School of Engineering, Cooper Union.

Frederick M. Bernthal, Deputy Director, National Science Foundation.

Sherwood L. Boehlert, U.S. House of Representatives.

Michael G. Borrus, Co-director, Berkeley Roundtable on International Economics.

Rick Boucher, U.S. House of Representatives.

Lewis M. Branscomb, Professor, Harvard University.

Daniel Burton, Executive Vice President, Council on Competitiveness.

Dennis Chamot, Executive Assistant to the President, Department of Professional Employees, AFL-CIO.

John Deutch, Professor, MIT.

John W. Diggs, Deputy Director for Extramural Research, Department of Health and Human Services.

Craig Fields, President and CEO, MCC.

Edward B. Fort, Chancellor, North Carolina Agricultural and Technical State University.

John S. Foster, Consultant, TRW, Inc., and Chairman, Defense Science Board.

William Happer, Director, Office of Energy Research, U.S. Department of Energy.

Joseph S. Hezir, Principal, EOP Group, and former Deputy Assistant Director, Energy and Science Division, OMB.

Richard K. Lester, Director, Industrial Performance Center, MIT.

John W. Lyons, Director, National Institute for Standards and Technology.

Daniel P. McCurdy, Manager, Technology Policy, IBM.

Joseph G. Morone, Professor, Rensselaer Polytechnic Institute, School of Management.

Al Narath, President, Sandia National Laboratories.

Richard R. Nelson, Professor, Columbia University.

William D. Phillips, Former Associate Director of Industrial Technology, Office of Science & Technology Policy.

Lois Rice, Guest Scholar, Brookings Institution.

Nathan Rosenberg, Director of Program for Technology & Economic Growth, Stanford University.

Howard D. Samuel, President, Industrial Union Department, AFL-CIO.

Hubert J.P. Schoemaker, President and CEO, Centocor, Inc.

Charles Shanley, Director of Technology Planning, Motorola Inc.

Richard H. van Atta, Research Staff Member, Institute for Defense Analyses.

Robert M. White, Under Secretary for Technology, U.S. Department of Commerce.

Eugene Wong, Associate Director of Industrial Technology, Office of Science & Technology Policy.

Mr. HOLLINGS. Mr. President, in August 1992, we also had the National Science Board itself. I will read a couple of things and not put it in its entirety into the RECORD, which we would be glad to do. But the National Science Board concluded:

Stronger Federal leadership is needed in setting the course for U.S. technological competitiveness. Implementation of a national technology policy, including establishment of a rationale and guidelines for Federal action, should receive the highest priority. The start of such a policy was set forth 2 years ago by the President's Office of Science and Technology Policy, but more forceful action is needed by the President and Congress before there is further erosion in the United States technological position.

They made the recommendation to expand and strengthen the Manufacturing Technology Centers Program, the State Technology Extension Program, the National Institute of Standards and Technology, and I quote, "Further expand NIST's Advanced Technology Program." That was very important, therefore, the National Science Board and its findings at that particular time.

Going back to 1987 for a moment, Mr. President, we led off our original series of technology hearings that year with the distinguished entrepreneur, technologist, professor, industrial leader, dean at the University of Texas Business School, Dr. George Kosmetsky,

who had helped create the Microelectronics Technology and Computer Corporation down in Austin, TX. We followed his testimony with the Council on Competitiveness.

I will read just part of a Council on Competitiveness statement written not long after that particular time.

The United States is already losing badly in many critical technologies. Unless the Nation acts today to promote the development of generic industrial technology, its technological position will erode further, with disastrous consequences for American jobs, economic growth, and national security. The Federal Government should view support for generic industrial technology as a priority mission. It is important to note that this mission would not require major new Federal funding. Additional funds for generic technology programs are required. Other Federal R&D programs, such as national prestige projects, should be redirected or phased in more slowly to allow more resources to be focused on generic technology.

Of course, Mr. President, these themes were included and touched upon in our hearings and legislation, and we have been more or less off and running since then.

We have, finally, by way of endorsement, the Coalition for Technology Partnerships. It has over 130 members, a combination of companies, trade associations, different companies themselves, such as the American Electronic Association, and several universities that work with industry on ATP projects.

Mr. President, I ask unanimous consent to have printed in the RECORD at this particular point a letter from the Coalition for Technology Partnership along with the listing of membership.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION FOR
TECHNOLOGY PARTNERSHIPS (CTP),
Washington, DC, July 6, 1995.

HON. ERNEST F. HOLLINGS,
*Russell Senate Office Bldg.,
Washington, DC.*

DEAR SENATOR HOLLINGS: The undersigned members of the Coalition for Technology Partnerships respectfully ask for your support of the Advanced Technology Program (ATP). We understand that the Senate Commerce, Science, and Transportation Committees will be marking up the FY Department of Commerce Authorization bill in late July. We are concerned by the House Science Committee and the House Appropriations Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee vote to eliminate the ATP and are writing to outline our views on this essential program.

The Coalition for Technology Partnerships applauds your efforts to cut the federal budget deficit and to streamline the federal government, but we caution against sacrificing technology partnerships, such as the ATP, that are essential to our international competitiveness.

The ATP has enjoyed wide-spread industry support and participation. The basic mission of the ATP is to fund research programs with a significant potential for stimulating economic growth and improving the long-term competitiveness of U.S. industry. The ATP is already achieving this goal, by cost-sharing research to foster new innovative technologies that create opportunities for world-

class products, services and industrial processes. ATP research priorities are set by industry. The selection process is fair, and based entirely on technical and business merit. Half of all ATP awards and joint ventures go to small business directed partnerships. Today, as indication of the success of this program, quality proposals in pursuit of ATP funds far outstrips available funds.

The real payoff of the ATP is the long-term economic growth potential for the companies involved with the program, and the creation of new jobs. The ATP is a model of industry/government partnerships which benefits the nation as a whole, again by leveraging industrial capital to pursue new technologies. Without ATP, these technological opportunities would be slowed, or ultimately forfeited to foreign competitors more able to make key investments in longer-term, higher risk research, such as is the focus of ATP.

We urge you to adequately fund the Advanced Technology Program as you begin mark-up of the authorization bill. The ATP is essential, cost effective and timely for the economic growth of our country. Please contact either Taffy Kingscott at 202/515-5193 or Tom Sellers at 202/728-3606 if you have any questions or if we can be of any assistance.

COALITION FOR TECHNOLOGY PARTNERSHIPS

The Coalition for Technology Partnerships has been formed by a group of small, medium and large businesses, trade associations and technical societies on the principle that technology partnerships between government and industry reflect the realities of today's budget climate and technology development mechanisms.

Advance Circuits, Inc.
Advanced Machining Dynamics.
Aerospace Industries Association.
Air Conditioning & Refrigeration Institute.
Alaska Technology Transfer Assistance Center.
American Electronics Association.
American Concrete Institute.
Amoco Performance Products, Inc.
Andersen Consulting.
Aphios Corporation.
Apple Computer.
Applied Medical Informatics (AMI).
Arizona State Univ.-College of Engineering & Applied Science.
Armstrong World Industries, Inc.
Array Comm., Inc.
Atlantic Research Corporation.
Babcock & Wilcox.
BioHybrid Technologies Inc.
Biotechnology Industry Organization.
Brunswick Composites.
CALMAC Manufacturing Corporation.
The Carborundum Company.
Clean Air Now.
CNA Consulting Engineers.
Coal Technology Corporation.
Columbia Bay Company.
Council on Superconductivity.
Cubicon.
Cybo Robots, Inc.
Dakota Technologies, Inc.
Dell Computer.
Diamond Semiconductor Group.
Dow Chemical Company.
Dow-United Technologies Composite Products, Inc.
Dragon Systems, Inc.
DuPont.
Edison Materials Technology Center.
The Electroliser Corporation.
Energy BioSystems Corporation.
Erie County Technical Institute.
Fairfield University-Center for Global Competitiveness.
FED Corporation.
Foster-Miller, Inc.
FSI Corporation, Inc.

GenCorp.
GeneTrace Systems Inc.
Hercules, Inc.
Higher Education Manufacturing Process Applications Consortium.
Honeywell Inc.
IBM Corporation.
I-Kinetics.
Institute for Interconnecting & Packaging of Electronic Circuits (IPC).
Intermetrics General Corporation.
Intermetrics, Inc.
Intervac, Vacuum Systems Division.
ISCO, Inc.
Joint Ventures Silicon Valley.
Kaman Electromagnetic Corporation.
Kopin Corporation.
Light Age, Inc.
Material Sciences Corp.
Matrix Construction & Engineering.
Maxoptix Corporation.
Merchant Gasses-Praxair, Inc.
Merix Corporation.
Mocropolis Corporation.
Milwaukee School of Engineering.
Molecular Tool.
Moog, Inc.
MRS Technologies, Inc.
MultiLythics, Inc.
Murray, Scher, & Montgomery.
Nanophase.
National Coalition for Advanced Manufacturing.
National Semiconductor.
National Storage Industry Consortium (NSIC).
National Tooling & Machining Association.
Nelco International Corporation.
New Mexico Technology Enterprises Division.
Norfolk Shipbuilding & Drydock Corporation.
North Carolina Industrial Extension Service.
Ohio Aerospace Institute.
Optex Corporation.
The Pennsylvania State University.
Philadelphia College of Textiles & Science.
Photonics Imaging.
Physical Optics Corporation.
Planar Systems.
Praxair, Inc.
PS Enterprises.
Real-Rite Corporation.
Rensselaer Polytechnic Institute.
Rosemount Aerospace, Inc.
Sagent Corporation.
Semiconductor Equipment and Materials International.
SI. Diamond Technology, Inc.
Silicon Valley Group.
Silicon Video Corporation.
Society of the Plastics Industry, Inc.
Solar Engineering Applications, Corp.
Solarex.
South Bay Business Environmental Coalition.
Spectrian, Inc.
Suppliers of Advanced Composite.
Materials Association.
System Management Arts.
TCOM LP.
Technology Service Corporation.
3M.
Tektronix, Inc.
Texas Instruments.
Third Wave Technologies, Inc.
Thomas Electronics.
Tissue Engineering, Inc.
Touchstone Technologies.
Trans Science Corp.
Trellis Software & Controls, Inc.
TULIP Memory Systems, Inc.
United States Advanced Ceramics Association.
University of Pittsburgh.
University of South Florida.
UES, Inc.

United Technology Corporation.
 Vysis, Inc.
 Watkins-Johnson, Inc.
 West Virginia High Tech Consortium.
 West Virginia University.
 XXsys.

Mr. HOLLINGS. Mr. President, I think I have covered some of the highlights. The real problem that we have here is, in essence, that now everyone is on the hustings out on the campaign trail talking technology, jobs, talk, talk. What we would hope is that the President would want to walk here this afternoon and that we could get an agreement not to increase ATP funding this year, not even have a freeze, but let us continue with these particular projects now ongoing and now starting to pay off, with the companies having done their fair share. The program has seen a substantial cut, but let us not have total elimination—where we have good industries working in partnership with the Federal Government successfully—and not cut them off halfway through a particular endeavor.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I appreciate the long and tireless commitment of the Senator from South Carolina to this issue, certainly items such as the Hollings Centers for Excellence, which involves working with industry and the Government in attempting to disseminate knowledge on how to better manufacture, and on which he has, appropriately, his name. But this proposal which he has brought forth today has a number of fundamental flaws.

The first flaw is that it has not been scored by CBO, so we really do not know how much it costs. The second flaw is that it does not seem to be offset. The third flaw is to the extent it is offset, the offset has not been scored. To the extent it is offset by the terms of the amendment itself, no offset occurs with this coming fiscal year.

So to the extent that this amendment generates costs this coming year, there is no offset. So it adds to the deficit.

In order to get around that, the Senator from South Carolina has invoked the emergency clause. The emergency clause was not, I do not think, ever conceived of to be used for the purposes of funding what amounts to corporate welfare. That is what this is. You know, a lot of people are walking around here saying "corporate welfare, corporate welfare," looking for the face of corporate welfare. This is the face of corporate welfare. The emergency clause is for floods and other crises of significant proportions which are inordinate and which are unusual and which we need to respond to because there is an emergency.

But what we have here is a desire by the Senator to fund an undertaking which the committee decided not to fund, and in so doing he would be violating the budgetary rules because it

would add to the deficit this year. In order to avoid a point of order, he has claimed it as an emergency.

I know, as many people know, that technology is an important part of our economy and that it creates a lot of jobs, especially in my part of the country, but I do not think that the Federal Government going out and picking winners and losers in the field of technology represents an emergency under any definition of what an emergency is. Even if you could agree with this program, the program itself has some very severe, fundamental flaws because it is a picking of winners and losers by the Government, for which the Government has never been very good at picking winners and losers in the area of technology. And I point out a large number of very significant failures of the Government in deciding where the appropriate technology of the time should be, such as the Synfuels Program, such as the Clinch River breeder reactor. And the list goes on and on.

But, even if you were to give the Government some credibility and the ability to go into the marketplace and pick winners and losers, which I happen to think is foolish on its face, but even if you were to give it that credibility, you could under no circumstances—under no circumstances—conceive of that as an emergency. That is like saying whether we lay out a four-lane highway or a two-lane highway determines an emergency. This is the business of the Government. This is the ordinary and common business of the Government. And to claim it as an emergency is, on its face, farfetched and hard to accept.

So just on the technical grounds that this clearly is not an emergency and therefore should not be raised to the level of an emergency—if we are going to do that, we might as well fund all functions of Government as an emergency and just ignore the concept of the deficit, ignore the concept of fiscal responsibility as put upon us by the Budget Act. On those grounds, I am going to strongly oppose this amendment.

I also happen to oppose it on substantive grounds in that I think this program is of questionable value. Let me list a few things here that have been funded under this program. I suspect they are good programs, but I want you to ask, are these emergencies? These are almost all experimental undertakings. We do not know if they have any commercial use at all. We do not know if anybody is going to benefit from them at all except people who happen to be doing the work and get paid. It is like going down to your local technology company and saying, "Hey, we will hire a few folks for you to do this project."

Is that an emergency? I hardly think so. Let me list some of these things: a Nobel x ray source for CT scanners; a flexible, low-cost laser machine for motor vehicle manufacturing; an ultra-high-performance optical tape drive

using a short wavelength laser; adaptive video coding for information networks; and the list goes on and on and on—real-time micro-PCR analysis systems. Is it an emergency that we fund real-time micro-PCR analysis systems? Has this Government come to the point where that is defined as an emergency? I really have to say that, on the face of it, this is a bit hard to talk about with a straight face.

AMENDMENT NO. 3475 TO AMENDMENT NO. 3474

Mr. GREGG. So, I am going to send an amendment in the second degree which strikes chapter 3, which is the emergency language of this amendment, to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 3475 to amendment No. 3474.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike chapter 3 of the pending amendment in its entirety.

Mr. GREGG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Massachusetts.

Mr. KERRY. Mr. President, the manager is rising. I do not want to be—

Mr. HOLLINGS. Mr. President, I ask the Senator to let me answer two or three points that I think should be clarified.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. With respect to emergency, I thought, Mr. President, that coming out of New Hampshire, my distinguished colleague would understand small business. I traveled that State extensively. If you have 20 or 30 employees and you have received a grant and you put up half the money and you are halfway through the particular project still soliciting finance on the open market and you have every promising indication that that is going to happen, and then all of a sudden the Government cuts it off and you know already from the very beginning that you had a need that could not be answered by normal banking sources, you are under an emergency.

It is not an emergency because of any particular technology. It is an emergency because of the situation facing these small companies. The Senator addresses his comments with respect to the technology. I am talking about \$235 million needed to maintain contracts that have already been awarded after going through all of this, getting the financing, setting up the operation,

getting half way through and then facing a cutoff. That is an emergency. But the emergency designation in my amendment is not necessary, in a sense, because we do have a favorable offset and scoring, Mr. President. When the Senator says it is not scored, let me say that on March 12, today, we have a memorandum from John Righter of the Congressional Budget Office, on: "The scoring of the Debt Collection Improvement Act of 1996, chapter 2, of a proposed amendment to H.R. 3019." I ask unanimous consent it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 12, 1996.
MEMORANDUM

To: Patrick Windham, Senate Committee on Commerce, Science, and Transportation.
From: John Righter, Congressional Budget Office.

Subject: Preliminary scoring of the "Debt Collection Improvement Act of 1996," Chapter 2 of a proposed amendment to H.R. 3019.

As you requested, I have prepared a preliminary estimate of the budgetary impact

of the Debt Collection Improvement Act of 1996, a chapter within a proposed amendment to H.R. 3019, as provided to CBO on March 8, 1996. I estimate that the proposed legislation would reduce direct spending by about \$525 million over the 1996-2002 period and would increase revenues by about \$24 million over the same period. The following table provides my year-by-year estimates.

IMPACT OF DEBT COLLECTION IMPROVEMENT ACT OF 1996 ON DIRECT SPENDING AND REVENUES

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Changes in direct spending: ¹							
Estimated budget authority	-440	-20	-10	-10	-15	-15	-15
Estimated outlays	-440	-20	-10	-10	-15	-15	-15
Additional revenues:							
Estimated revenues	0	3	3	3	3	6	6

¹ Under the Federal Credit Reform Act of 1990, the budgetary impact of a modification that alters the subsidy cost of existing direct loans or loan guarantee is calculated as the estimated present value of the change in cash flows from the modification. This amount is recorded in the budget in the year in which the legislation is enacted. Consequently, savings in direct spending for the existing loans and guarantees under federal credit programs affected by this proposal are shown in fiscal year 1996. In addition, the legislation would affect direct spending in future years by reducing the subsidies for mandatory loan programs by use of new collection authorities present in the proposal.

Changes in Direct Spending. The seven-year totals in estimated savings in direct spending include about \$475 million for new and enhanced offset authorities, including the authority to offset a portion of Social Security Administration, Railroad Retirement Board, and Black Lung payments for recipients who are delinquent on a debt owed to the federal government and who are scheduled to receive more than \$10,000 in federal benefit payments over a 12-month period. For example, assume an individual currently is delinquent on an education loan and is also expected to receive \$12,000 in Social Security and other federal payments over the next 12 months. Under the proposed language, Treasury could offset as much as \$166 of each monthly Social Security payment and transfer this money to Education in partial satisfaction of the recipient's delinquent loan. (The \$166 results from dividing 12 into \$2,000, which is the amount the recipient's total federal benefits exceeds the \$10,000 exemption.)

The seven-year totals also include about \$15 million for the removal of limitation on the collection of delinquent debts by the Social Security Administration and the U.S. Customs Service, as well as about \$5 million for the expanded use of nonjudicial foreclosure of federal mortgages. The Rural Housing and Community Development Service at the Department of Agriculture and the Small Business Administration could use the latter authority to shorten their foreclosure process by about 6 to 12 months, thus decreasing their holding costs.

In addition, I estimate that the bill would reduce the projected subsidy cost for mandatory loan or loan guarantees that would be made in future years by about \$30 million for the 1997-2002 period.

Additional Revenues. Additional revenues would result from adjusting the value of existing civil monetary penalties for changes in inflation. The bill would provide for an initial adjustment of no more than 10 percent within six months of enactment, with subsequent adjustments to occur at least once every four years.

Previous Estimate. As part of the President's plan to balance the budget, CBO provided an estimate of the Debt Collection Improvement Act of 1995 on December 13, 1995. CBO has provided estimates of other debt collection initiatives; however, the language

in the President's Balanced Budget Act of 1995 is closest to the proposed amendment to H.R. 3019.

For the President's plan, CBO preliminarily estimated that the debt collection provisions would reduce direct spending by about \$550 million over the 1996-2002 period, or about \$65 million more than this estimate. The reduced savings result from the use of different sets of economic assumptions. For the President's plan, CBO was directed to revise and update its economic assumptions, which yielded a higher present value for the increase in collections of credit debt. For the proposed amendment to H.R. 3019, I have used the economic assumptions that underlie the Budget Resolution for Fiscal Year 1996, as required by law. Because the projected rate for marketable Treasury securities is higher in the economic assumptions used for the budget resolution, the present value of the collections is lower.

Please do not hesitate to contact me at 6-2860 if you have any questions.

Mr. HOLLINGS. I thank the distinguished Chair.

Mr. President, they have: "Changes in direct spending, estimated budget authority, minus \$440 million; estimated outlays, minus \$440 million." So it has been scored, and the offset does produce real savings.

Now, we are back to the old wag, Mr. President, of winners and losers and winners and losers in the Government. Earlier, I tried to emphasize this issue in the most courteous fashion, but I will have to do it in the most direct fashion. Let me refer specifically to a key report, and I read this and quote it exactly, Mr. President: "Report of the Senate Republican Task Force on Adjusting the Defense Base, June 25, 1992," by Senator WARREN RUDMAN, Senator HANK BROWN, Senator WILLIAM COHEN, Senator JOHN DANFORTH, Senator PETE DOMENICI, Senator ORRIN HATCH, Senator NANCY KASSEBAUM, Senator TRENT LOTT, Senator RICHARD LUGAR, Senator JOHN MCCAIN, Senator JOHN SEYMOUR, SENATOR TED STEVENS, and Senator JOHN WARNER.

I read from page 24:

The task force endorses two programs of the National Institute of Standards and Technology as important to the effort to promote technology transfer to allow industries to convert to civilian activities. These programs are the Manufacturing Technology Program and the Advanced Technology Program.

Now, Mr. President, the distinguished leadership over on my chairman's side of the aisle did not get into that litany then about picking winners and losers. Making that claim is pollster politics and pap. That is nonsense. It is not picking winners and losers. When we had the semiconductor problems and put in Sematech, it was not winners and losers. Industry came back in there. Then we get to the aircraft industry; we get to agricultural technology; we have the telecommunications technology. We can go right on down the list where Government has worked successfully in partnership, and we do not hear about picking winners and losers. And now here in the Advanced Technology Program comes the industry itself working with the Government, and using political statements to the effect of winners and losers and pork they just present symbols and labels and hope to kill the program that way. That is not debating it on its merits. The task force of my distinguished friends on the other side of the aisle, a dozen of them, found it was very, very important, including the majority leader. And it has not changed a bit. It is being administered properly, and no one contests that. No one wants to talk of the merit of the program or something that ask whether anything may have gone awry. They still want to use the symbols.

I yield the floor.

Mr. KERRY. Mr. President, I wish to join my colleague from South Carolina in supporting his amendment, and I regret the characterizations of my friend

from New Hampshire, the southern portion of which certainly has a significant amount of technology companies that are in partnership with the Federal Government.

It seems to me the arguments that are made by the Senator from New Hampshire fundamentally avoid the reality that we confront in the marketplace and that our companies are confronting in the marketplace today. It would be nice if we could just sit here and say the Government should not be involved in this or that and proceed along. But the reality is that the governments of every country against which we compete are deeply involved in major commitments to science, to technology, to research, to development, and even carry those commitments way out into the marketplace in order to effect pricing and the marketing of the products that come out of their companies. We are not living in a sort of pure Adam Smith world where everybody can sit around and say, gee, the Government should not be doing this, should not be doing that.

Every government of every industrialized country in the world is engaged in what most of us would consider to be unfair trade practices in subsidizing their companies' efforts to penetrate the market of one country or another.

We know that our own marketplace, as efficient as it is—and it is efficient, it is brilliant—but even in its brilliance, our marketplace does not always respond in the ways that we would like it to or as rapidly as we might like it to in the development of new products. In fact, from the great expenditures on defense of the late 1950's and on, we have seen a remarkable number of purely Government-created markets emerge, Government-created products emerge: Teflon, Gortex, digitalization, the Internet.

Here we are with the Internet itself, the fastest growing market in the United States today. Some 30 million people have access to it, and it is growing at 300,000 people a month. Who created it? The Government. The Government was able to create it because the Government was able to leverage investment or make a fundamental primary investment that no private dollar was willing to do because of the risk level.

Every one of us knows that in the capital markets of the United States, we have a relatively small amount of money that goes into pure venture capital. The last time I looked, which was some time ago, it was somewhere in the vicinity of \$30 billion or so. That venture capital pool often does not go for some of the job-creating efforts that are critical on the cutting edge of technology.

Mr. President, I think we have learned enough in the last few years about our need to try to build the partnership, if you will, to guarantee that we are on the cutting edge of certain technologies. We saw that in the early 1980's. I can remember when we were

deeply committed to energy and certain kinds of environmental research. We actually went so far—we, I was not in the Senate then—but the Senate went so far and we as a Nation went so far as to create the Energy Institute in Colorado. Professors literally gave up tenure at certain universities and went out to Colorado and invested in the notion that the United States of America was committed to major energy research.

What happened? Along came Ronald Reagan and a different attitude about Government involvement in energy. So we pulled the plug on the research institute. People were thrown back out into the street, and, lo and behold, what happened? The Japanese and the Germans picked up the leadership in photovoltaics and renewable energy resources, and all of a sudden, in the post-cold-war era, as the prior Communist bloc countries suddenly wake up to what they have done to the Danube River or to the region around Kijev where you can pick up ashes in your hand and there is not a living bush within a mile of their powerplants, they suddenly said, "We have to do something about this."

Where do they go? Not to the United States, because the United States had lost the technology lead. So they go to Germany and they go to Japan and they buy from them. Whose workers wind up benefiting?

That is a clear lesson, Mr. President. What I am suggesting is this is not an enormous boondoggle or giveaway. This is a program that is set up with peer review. It is a highly competitive grant structure. It is one where there has to be some likelihood of a frontier that is going to provide new jobs under the definition of the critical technologies that most countries have recognized as critical technologies.

Lester Thurow, one of the eminent scholars and thinkers of Massachusetts at MIT, recently noted that we are living in an age where industrialized nations like the United States are not going to achieve economic growth by conquering new lands or amassing greater natural resources, or even through further revolutions in technology necessarily, which are the traditional pathways that countries have taken to greatness. He said we are going to have to do it by investing in human capital.

American business has demonstrated an impressive ability to develop new products and to invest in the technology that is needed to give us those new products. But the record of investing in workers has fallen far short of what is necessary to maintain the leadership position in today's global environment.

Mr. President, if we look at these add-backs, what we see is a combination of the best of both worlds: An effort to try to invest in technology and an effort to try to invest in human capital.

Let me just quickly underscore a couple of those areas, if I may.

Mr. President, the Council on Competitiveness finds that a 10-percent increase in workers' education levels yields almost a 9-percent gain in workplace productivity, more than twice the rate of return for the same investment in tools or in machinery. Every year of postsecondary education or training boosts the lifetime earnings of an individual by 6 to 12 percent.

So here we are wrestling in this country with the problem of diminished earnings of 80 percent of America—80 percent of America—that has not had an increase in their take-home household income in the last 13 years. We know you can have a 6 to 12-percent increase by investing in their skill levels in the transfer of technology to human beings. That is what the Senator from South Carolina and I and others are trying to do here.

In Massachusetts, we have been able to have about one-third of our work force employed in these kinds of endeavors, and we find that they are always more productive and they always pay higher wages.

Let me give you an example, perhaps, Mr. President. The ATP, the Advanced Technology Program, and the NTIA grants and the EPA envirotech and educational technology programs that would get an add-back under this make a direct difference in the lives of our citizens.

The Advanced Technology Program, for instance, helped Dr. Richard Yohannis of Data Medic in Waltham, MA, to create an automated medical data gathering and processing system that will improve the quality of care at Boston Children's Hospital and reduce at least \$560,000 of administrative costs.

Private banks and venture capital groups would not finance this idea. So without the ATP's matching support, Dr. Yohannis' idea simply would not have become a reality. With it, we save \$560,000 and we create jobs and provide better health care.

Another example: The National Telecommunications and Infrastructure Assistance Program is helping Massachusetts Information Infrastructure to begin to wire schools and libraries and local government entities to the information superhighway. NTIA now has more than 80 matching grant requests pending from equally deserving groups in the State of Massachusetts. Without the NTIA's support, the 352 MII sites around Massachusetts would simply still be on the waiting ramp on the information highway.

Now I ask a simple question. We just overwhelmingly adopted an amendment to raise the level of education in this country. Here is a grant that links those schools and our students in their math and science capabilities to the information highway, to the future, to jobs and to the world. I think that is an emergency.

The only reason it is required to be treated as an emergency is because our friends on the other side of the aisle,

most of them, do not think it is an emergency and do not want it at all. And instead of having a 50-vote decision on the floor of the Senate, which is what you get by defining it as an emergency, they want it to be 60 votes, so the hurdle is harder to get over.

This is not a fight over defining an emergency. It is not a fight over pork. It is a fight over the priorities of this country and whether or not we ought to be making a more significant commitment to science and to technology.

The Hollings amendment, gratefully, would secure a critical commitment to technology.

Let me give one last example. There are global demands for pollution control, for waste disposal and remedial cleanup goods and services ranges from about \$200 to \$300 billion. Here is a \$200 to \$300 billion market waiting for us.

In Massachusetts alone, the environmental industry is more than 1,500 companies employing about 55,000 people, and it generates more than \$5.5 billion in sales.

But some of their efforts simply cannot be engaged in without the leverage of these dollars, either from a basic venture capital basis or banking basis or from fundamental risk taking in the marketplace.

It seems to me, Mr. President, that it is extraordinarily valuable for this country to encourage and leverage the transition of our workplace. When 40,000 workers are downsized from AT&T, and those workers find it difficult to find the same level of paying jobs and they wind up driving taxicabs or doing things at a whole different level than they were trained for, we do not just lose their technical skill, we lose their commitment, we lose their morale, we lose the fabric of our communities.

It seems to me that nothing should gain a greater focus from the U.S. Senate except for education as a whole than the effort to transfer science from the laboratory to the marketplace, to take it from laboratory to shelf as rapidly as possible.

This effort has proven its ability to do that. It is not pork. It is a fundamental commitment of this country to science and to technology itself. And I hope colleagues will join together in adding back this critical funding.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise in strong support for this amendment. I listened carefully to my colleague from Massachusetts and I agree with him completely. I will confine my remarks to the Advanced Technology Program, the ATP.

I have risen on this floor many times to talk about the importance of research and the importance of moving research into industry and then into use—that is, the importance of development, and the importance of Government's role in areas where private capital is not available even though maybe it should be.

I urge my colleagues to increase our investment in the ATP because that is what it is, an investment. And it is an investment that will yield a high return in high-wage jobs and in long-term economic growth.

We need a well-balanced Federal R&D budget. We need a Federal R&D budget that, of course, is strong in defense research, but not just defense, which seemed to dominate research for many years. We need strength also in civilian research, in basic research, and in applied research. And applied research includes the development of high-risk, high-payoff civilian technologies.

We know that new technology accounts for one-half of long-term economic growth. I repeat that. We know that new technology accounts for one-half of the long-term economic growth of this country.

We know that workers in high-technology industry are better paid than the average worker, in fact, on the average, 60 percent better paid. We know that past public investment, in semiconductors, in computers, in advanced materials, and in other technologies have paid for themselves many, many times over.

These technologies have been at the heart of our economic expansion. We know that the private sector is cutting back on long-term R&D in favor of shorter term, more product-oriented work.

In 1989, I proposed legislation to create what I called the ACTA, Advanced Civilian Technology Agency. It was going to be a counterpart to DARPA, the Defense Advanced Research Project Agency.

The purpose of ACTA was to help put U.S. industry on an even footing with competitors who had the benefit of teaming with their Governments.

Team Japan and Team Germany, for example, ensure that their companies quickly develop, produce, and market new products. They use tools ranging from R&D tax credits and low-interest loans to research consortiums. There is no single, magic silver bullet.

Congress decided against a new agency and instead created the Advanced Technology Program, ATP, within an existing agency. NIST has managed the ATP, I think by any measure, in an exemplary fashion. But now, after 6 years, some of my colleagues want to kill this promising young program, without, I think, even understanding what it is they are killing.

I think it would be very short-sighted to kill a program just as it is starting to have an impact. We have two recent studies of the ATP program. And they agree that the program has stimulated companies to join together, to collaborate, to form strategic alliances.

These partnerships are not easy for companies because they fear the loss of intellectual property rights, the loss of trade secrets, and the loss of control overall. But ATP has catalyzed changes in corporate behavior that

could have profound effects on future R&D. The studies also agree that ATP has speeded up research, cutting months off of the R&D cycle. Global competition in high technology moves at a fast pace. And months can be critical sometimes.

Let us be clear on one thing—this is not just a Government program. ATP is industry-led. Industry picks the technologies. Industry puts up 50 percent or more of the resources. Industry takes the biggest risk. And to call this corporate welfare or picking winners and losers is just know-nothing nonsense. People who have claimed that have not looked at the program, or do not know what they are talking about, or have some other agenda, because this is not corporate welfare or picking winners and losers.

ATP helps fund precompetitive research—research that lies in the gap between basic research and commercial development. ATP focuses on high-risk potential breakthroughs, technical know-how that will benefit industry across the board, that will boost national competitiveness and that will improve our lives.

ATP partners with companies in 31 States. That shows how widespread it is, 31 States. The companies are working on quicker and easier genetic diagnostic tests, for instance, much smaller computer chips, better materials for fiber optics and more. You say, are these things important? Of course they are. And they can be multiplied over and over. We could have a whole list here today. Those are just three examples.

In my State of Ohio, for example, companies with ATP help are working on 15 different projects ranging from high-temperature, high-pressure tolerant enzymes for the chemical food and diagnostic industries to gene therapy for the treatment of cardiovascular disease.

Most of the projects are geared to moving U.S. manufacturing well into the 21st century. There are projects on ceramics, composites, long optical polymers, metal powders, superabrasives and extremely precise measuring technologies—all in the areas of breakthroughs that would have an enormous impact on our society and on our industry.

Let me take as an example the first of these—ceramics. People say, “ceramics.” They think of dishes and things that you hold water in, vases, things like that. But if we make a major breakthrough in high-temperature ceramics, so that we could coat turbine blades, or the inside of high-temperature engine chambers, we could raise operating pressures and temperatures. That would let us make far more efficient use of fuel. We could have smaller turbines and engines. We could make electric cars much more practical than they are now, when we have to store energy in lead acid batteries.

If we made a breakthrough in ceramics, we make a whole new industry possible. Breakthroughs in ceramics make

breakthroughs possible in engines and electric cars and a whole host of things. Each one of the technologies that I mentioned can have that kind of serendipitous effect on new industries and new research in our country.

These and other technologies that industry is developing with the help of ATP—not directly, but with the help of ATP—will not only create jobs and enhance productivity, but will make life healthier and the environment cleaner at much lower cost. We are just starting to see the benefits of the ATP in jobs and technologies coming to market.

Some of our friends on the other side speak of the need to tear programs out by their roots. That was one of the statements I heard the other day. For programs like ATP and for programs to bring educational technology to our students, that is a prescription for an economic wasteland. It will be an economic disaster if we start tearing programs like this out by their roots. We should, instead, be nurturing these programs so that we and our children and our grandchildren can enjoy their fruits.

Mr. President, the United States has grown to what it is today mainly because we have been a research-oriented nation and a curious people, a people willing to put money into inquiring into the unknown. We have moved into leadership in the world because of that type of curiosity, curiosity that has been exhibited by our companies, by our colleges, by our universities, indeed, by the Federal Government, in taking the lead in these areas.

If there is one thing this Nation should have learned throughout its history, and I think we have learned, it is that money spent on research almost always pays off beyond anything we see at the outset.

How can we not approve ATP? By my reckoning we should be expanding it further rather than considering cutting it out.

In closing, Mr. President, I urge my colleagues to support this amendment. I hope it passes for the good of this country and for the future of this country.

AMENDMENT NO. 3475 WITHDRAWN

Mr. GREGG. I ask unanimous consent that the yeas and nays be vitiated and that my amendment to strike be withdrawn.

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

So the amendment (No. 3475) was withdrawn.

Mr. GREGG. Mr. President, I ask that the yeas and nays be ordered on the underlying amendment of the Senator from South Carolina.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. I continue my opposition to this amendment. I do not think ATP is a program we can fund at this time. I think we should go with the initial proposal.

Mr. HOLLINGS. There are various Senators that wanted to be heard. I have agreed with the distinguished chairman, Senator GREGG, we ought to move as expeditiously as possible to a vote.

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

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

Mr. LEAHY. Mr. President, I rise in strong support of the Senator from South Carolina's amendment to restore funding for high-technology programs. I am proud to cosponsor this amendment to restore about \$400 million to these critical investments. This amendment is fully offset and will not add to the deficit.

Unfortunately, the current bill cuts programs like the Advanced Technology Program that invest in our future. Some in this Congress are trying to abolish these high technology programs to claim they have ended a unnecessary, big-Government bureaucracy. Nothing could be further from the truth.

These high technology programs are more than necessary in today's world. They are essential.

The world has shrunk because of advances in technology and telecommunications.

Today, Americans do not just compete with each other, they compete with Japanese, Germans, New Zealanders, and the other citizens of our global economy. To meet the demands of this new world, we must develop and improve our expertise and infrastructure in advanced technology.

Moreover, these high-technology programs are not big Government.

Because these technology programs provide Federal seed money, private companies and public players have come together to form community-based projects. Many of these projects must have matching funds from the private sector. This requirement had led to innovative networks with groups that have never worked together before. There is no Government redtape restricting these partnerships. Instead, Government seed money is making these partnerships happen.

We should be promoting programs that foster these advanced technology initiatives. And that is exactly what this amendment does. For instance, this amendment adds \$32 million in funding for the Telecommunications Information and Infrastructure Administration Program [TIAP].

In today's world of innovative telecommunications, this program helps us keep up with this constant change. TIAP develops partnerships with local governments, schools, hospitals, libraries and the business community to increase access to advanced information and communications.

Let me describe just a few of these innovative partnerships from around the country that have gotten off the ground because of TIAP's help:

Youth service organizations in New Haven, CT and East Palo, CA are working together to link teenagers in the two cities to keep them off their streets and in their schools;

Physicians from big city medical centers in North Carolina are working together with rural hospitals to provide video teleconsultations and diagnostic images for emergency care;

And in my home State, Castleton State College has led a consortium of representatives from the private sector, local government and education to develop a telecommunications plan for west-central Vermont.

An TIAP planning grant will bring these Vermonters together to develop a high-capacity telecommunications infrastructure to overcome the problems caused by their 15 local dialing areas.

TIAP is about finding new ways to learn, to practice better medicine, and to share information. It spurs the growth of networks and infrastructure in many different fields of telecommunications with only a small Federal investment. It is essential and innovative.

This amendment also restores \$62 million to the Environmental Protection Agency's Environmental Technology Initiative. This initiative supports private sector research and development that protects our environment and generates innovative products for the emerging environmental technology marketplace. This technology has the potential to create thousands of jobs by developing new ways to clean up polluted areas across the country.

For example, an EPA-supported technology was recently developed in Vermont for the ecological treatment of wastewater. Living Technologies and Gardiner's Supply in South Burlington, Vermont are on the forefront of a new technology that treats wastewater through a series of biological processes. The Environmental Protection Agency has played a fundamental role in joining quality environmental policy with good economics.

Mr. President, advanced technology will be the key to our educational and economic and economic success in the remainder of this decade and into the next millennium. We must keep our commitment to master technology or we will be mastered by it. I urge my colleagues to support this amendment to restore vital funding for advanced technology programs.

Mr. LIEBERMAN. Mr. President, I rise in support of my friend Senator HOLLINGS and praise him for proposing this technology amendment which I have cosponsored along with my colleagues minority leader DASCHLE, Senators KERREY, BINGAMAN, ROCKEFELLER, and KERREY. This amendment strives to preserve research programs in technology, education and the environment which are investments in our future.

Cuts in research and development, R&D are bad for America's future. Now is not the time to pull out of federal investments in these programs, including the Advanced Technology Program [ATP] and Technology Administration [TA], National Telecommunications and Information Administration [NTIA] which have a significant impact on high-wage jobs and maintaining U.S. leadership in the global economy. Now is the time to protect our investments, maintain our strong base, and build upon technology infrastructure so that America will remain an economic world leader.

Commerce's Office of Technology Policy recently issued a report which states:

Although the federal Advanced Technology programs represent only a small fraction of the federal R&D budget, they leverage money in the public and private sectors, causing an economic impact far larger than that suggested by the program budgets alone. Moreover, they are the only mechanisms focused specifically on providing a bridge between the federal R&D investment and the efforts of the private sector to remain globally competitive. These relatively small investments in federal partnerships play a central role in increasing the efficiency of government mission research and safeguarding the country's prosperity."

An essential part of improving economic growth is technological change. A recent Council of Economic Advisors report tells us that half or more of the Nation's productivity growth in the past half century has been from technological innovation. Looking at a 15-year curve, the U.S. had growth in private sector R&D every year until the 1990's. That growth wasn't huge—we were way behind the rate of growth of competitor nations, but we had such a big lead after WW II that we could tolerate lower growth for awhile. But since 1991, the private sector has annually been cutting R&D spending. This year, the American Association for the Advancement of Science estimates that Congress is implementing a 30-percent cut in government non-defense R&D. For the second year in a row the United States placed first in the World Competitiveness Report in 1995, Japan, top-ranked in 1993, fell to fourth and Germany to sixth. But when you look into the fine print of the report, it isn't so rosy.

The United States ranks only 9th in the people category because of its 30th place showing on adequacy of its education system. The report also found the United States 40th in vulnerability to imports, was 40th in gross domestic savings, and it deteriorated to 29th in public funding of nondefense R&D.

We clearly lead the world in the mixed blessing of downsizing and have garnered major productivity gains as a result. But disturbing long-term economic warning signals remain despite all the profit-taking of the past 5 years. This is particularly true when you look at one of the basic long term building blocks of economic growth: research and development.

What are our foreign competitors doing? You guessed it. Japan has announced plans to double its R&D spending by 2000; it will actually pass the United States in nondefense R&D in total dollars not just share of GDP. This is an historic reversal. Germany, Singapore, Taiwan, China, South Korea, India are aggressively promoting R&D investment. Our lead in R&D has been our historic competitive advantage. If these trends continue, that lead will shrink. Competing advanced economies will be the winners if we cut technology programs that improve Government's efficiency and the taxpayer's return on investment.

To keep building and renewing our economy, we have to keep investing in it. The numbers here are so bad they should be giving us fits:

We have a 20-year downward trend in investment as a share of gross domestic product—we're at 11.2 percent for 1995, behind 47 competitor nations.

The net national savings rate, which factors in government deficits, averaged 2.07 percent as a percent of GDP from 1990 to 1994, compared to the 8.11 percent average in the 1960's. The household savings rate last year, which doesn't include the Government deficit, is down to 4.6 percent; Japan's is 14.8 percent, France's is 14.1 percent, and Germany's is 12.3 percent. Obviously, our overall investment rates are related to our R&D investment rate.

If you divide Government spending into investment and consumption categories, Government investments—items like education, R&D, and infrastructure—are increasingly dwarfed by major increases each year in entitlement consumption spending. Federal non-defense investment in the 1960's in these three categories was 23 percent of its outlays; it is now less than half that. These numbers tell us that we're slowly disinvesting in our economy. They tell us we may be starving our long term growth.

I would like to focus on the programs that are victims under the proposed Appropriations bill we seek to amend, the Advanced Technology Program [ATP] and the Technology Administration [TA], the National Telecommunications and Informations Administration [NTIA], education technology and environmental technology.

ATP—Investments in technology are investments in our future. ATP was enacted during the Bush administration to address technical challenges facing the American industry. Industry has already begun to benefit from this public-private partnership which aims to accelerate development of high-risk, long-term technologies. The nature of the marketplace has changed, and technological advances are a crucial component in maintaining our stature in the new world marketplace. Product life cycles are getting more and more compressed, so that the development of new products must occur at a more and more rapid pace. The market demands products faster, at higher quality and

in wider varieties—and the product must be delivered "just-in-time". ATP funding is not a substitute for research investments that industry would have otherwise used for R&D.

This program has attracted top-notch small-to-medium size companies who have lauded ATP. In an independent study, Semiconductor Equipment and Materials International [SEMI], an association comprised of 1,400 small companies that manufacture materials and equipment for the semiconductor manufacturers, found that 100 percent of the companies who participated in ATP rated it very favorably. Nearly two-thirds of the companies surveyed by Industrial Research Institute, an association of over 260 research companies who account for 80 percent of industrially-performed R&D in the U.S., only a small number of which have received ATP awards rated ATP with very high marks.

The impact of the partnership activities amongst Government, industry, and academia is significant and far-reaching, according to a Silber and Associates study which interviewed every ATP industrial participant. I would like to share with you some of the company responses:

We would not have done this research without the award. It absolutely enabled us.

We consider ATP a multiplier—by investing \$3 million we gain access to \$15 million worth of technology.

We particularly like that it wasn't a grant, but a match. This eliminated companies who just wanted a government subsidy . . . promotes putting your money where your mouth is. We're seriously committed and have already invested \$2 million.

ATP money encouraged us that a little company like us can be taken seriously.

Leverage reduces cost and risk.

Collaborations, cooperation, and learning to operate in a consortium with competitors were key outcomes.

ATP has clearly acted as a catalyst to develop new technologies and to foster ongoing joint ventures within the industrial R&D. Clearly, we should continue to support this program and restore \$300 million for it as proposed in this amendment.

TA—Cuts in Commerce's Technology Administration will severely handicap our government's ability to assess and strengthen the technology efforts of the American industry. How can we expect to improve U.S. economic competitiveness if we squeeze the ringmaster who oversees and assesses an important part of the U.S. R&D investment? TA requires an additional \$2 million above the \$5 million slated in the Conference report to peer review critical programs such as The clean car initiative, also known as the partnership for the new generation of vehicles, and to perform comprehensive competitive studies for many industrial sectors such as the chemical, semiconductor, banking and textile industry.

NTIA—The National Telecommunications and Information Administration's Telecommunication's and Information Infrastructure Assistance Program [TIIAP] serves a very important

purpose in connecting public libraries, schools and hospitals to state of the art telecommunications services and the Internet through its highly competitive cost-shared grant program. Last year, only 117 awards for 1800 applicants were given—that is fewer than 1 out of 15. To cut these programs that are in very high demand and essential in promoting education, reducing health care costs and providing more jobs is very short-sighted. The amendment restores \$32 million which will enable TIIAP to provide 100–150 new awards. TIIAP programs are not a free ride and demand high community involvement to be successful.

I strongly support investments in education technology which will inspire our children to enhance their creativity and reading and math skills using the innovative tools of Internet. The Environmental Technology Initiative will secure a cleaner and brighter America for our children and grandchildren with lighter, more fuel efficient cars and innovative pollution control technologies.

To summarize, continued U.S. government investment in R&D is critical at a time when our competition is increasing its R&D support. The cuts in ATP, NTIA, TA and education and environment technology are unfounded and simply serve to starve our long-term prospects of developing high-wage jobs and maintaining U.S. leadership in the global economy.

Now is not the time to drop out of the global R&D race and shift toward a path toward technology bankruptcy. As I stated before, the American Academy for the Advancement of Science has estimated that if current congressional spending trends continue, our Government will be cutting this R&D investments by almost one-third over the next few years. Defense R&D will be cut deeper than that. Our amendment attempts to correct that error in some critical program areas. I urge my colleagues to support this amendment.

Mr. BOND. Mr. President, I rise in opposition to the Hollings amendment. The amendment includes \$62 million for EPA's environmental technology initiative, a program which the conference agreement on the VA-HUD bill sought to reduce funding for, in order to fund higher priority EPA programs.

During consideration of the fiscal year 1996 VA-HUD bill last fall, not a single member raised concerns about the reduction to this program in the committee markup, on the floor, or in conference on the legislation.

This program was initiated by President Clinton 3 years ago, and a total of \$100 million has been appropriated for the first 2 years. What has the program accomplished? Not a whole lot as far as I can tell.

We have funded energy efficient housing conferences, lighting research centers' education of electric utilities about the benefits of energy efficient lighting, and marketing programs to increase the purchase of energy efficient lighting products.

Mr. President, what the environmental technology program has amounted to is corporate pork. Mr. President, we cannot afford this sort of corporate subsidy.

These sort of activities are not geared to ensuring the U.S. gains a strong foothold in the market for environmental technology, as the administration has claimed.

I should also add that the budget request for this program has quadrupled from \$30 million in fiscal year 1994 to \$127 million in fiscal year 1996. Much of that funding has been passed through from EPA to other agencies—NIST, DOE, agencies which have their own budgets for technology activities. This, at a time when the administration claims it cannot find funds to set drinking water standards for cryptosporidium or control toxic water pollutants.

Given the importance of ensuring that EPA's limited resources are spent on those activities resulting in the most direct and significant gains to environmental protection, additional funding for this program above the \$10 million available in this bill is not acceptable.

Mr. BINGAMAN. Mr. President, I rise in support of the Hollings technology programs amendment. I want to commend the Senator from South Carolina for his consistent advocacy of these programs for the entire 13 years I have had the honor to serve in this body. It is disheartening for some of us to find all of these programs so out of favor with many of our majority colleagues.

Mr. President, as we prepare for the challenges and opportunities of the 21st century, these technology programs are among the last programs we should be sacrificing to balance the budget. I have given many speeches over the last year about how misplaced our priorities are when we prepare to slash our civilian research and development programs by one-third by 2002. And we are doing this at the same time the Pentagon is planning to slash research and development spending by 20 to 25 percent in real terms in the same time period. These next few years will be the first time since World War II that this Nation will simultaneously cut both civilian and defense research.

Four years ago this body knew that that was the wrong thing to do. We expected cuts in defense research spending as a result of the end of the cold war. But both the Rudman and Pryor task forces and the Bush administration in 1992 advocated increases in civilian research spending to compensate for the declines in defense research and to keep pace with the investments other nations were making in civilian research. There was a consensus then that the Advanced Technology Program was a program that needed to be expanded to provide opportunities for firms to do precompetitive research, a term that President Bush coined, in a cost-effective manner.

The reason that we had that consensus then was that the Senator from

South Carolina had designed the ATP Program with the help of Republican Senators like Warren Rudman. He had ensured that awards would be made on the basis of merit pursuant to competition and that industry would play a major role in selecting areas for competition. He had ensured that there would be cost sharing from industry, so it was not just Government saying these technologies were worthy of further development. The firms themselves were putting their money at risk. Out of these Government-industry partnerships the Senator from South Carolina expected to see real innovation. He expected these partnerships to bridge the gap between basic research at which we excel as a nation and product development which the private sector should fully fund. All the reports we have received tell us the program is doing just that. And yet it is on the chopping block.

The same could be said for the other programs supported by the Hollings amendment. All had bipartisan origins. All are designed to provide real leverage for Federal funds by fostering partnerships and requiring cost sharing. They are precisely the sort of programs we should be expanding as we approach the 21st century. Instead, we are forced into a debate on terminating them.

Mr. President, I am going to close by displaying two charts which I have used before over the past year on the Senate floor. The first shows Federal civilian research as a percentage of gross domestic product. In the next few years that spending is headed toward a half-century low. Is that how we should be building a future for our children and grandchildren?

The second chart compares our Federal civilian research spending with that of the Japanese Government. Very soon, if not this year then in the next few years, Japanese Government research and development investments will exceed our own. That is a nation with half our population and half our wealth. How long will we as a nation be able to live off our previous research investments?

Mr. President, study after study has shown that Federal civilian research investments since World War II have paid for themselves many times over. We need to sustain that investment as we head into the 21st century, particularly since we will continue to cut defense research investments in light of the end of the cold war. The Pentagon is planning to make greater use of our civilian research programs to meet its needs at the same time we are cutting civilian research.

The Senator from South Carolina is making a stand for some of our best civilian research investments. He stands in a bipartisan tradition of supporting civilian research that goes back to Presidents Truman and Eisenhower and clearly included President Bush. He stands against what one columnist, E.J. Dionne, Jr., in today's Washington

Post called the "smash-the-state" revolutionaries, who want to demolish essentially all Government programs.

Government can work and has the capacity to make investments that do great good for this country. Our research investments have been in that category for decades. They are Government at its best, building a better future for our children. I urge my colleagues to stand with the Senator from South Carolina in support of these research programs. Please vote for the Hollings amendment.

Mr. KERREY. Mr. President, I support the Hollings-Daschle technology amendment, which I am pleased to cosponsor. In particular, this amendment adds \$32 million for the Telecommunications Information and Infrastructure Assistance Program [TIAP] under the National Telecommunications and Information Administration [NTIA], which I strongly support.

When TIAP was slated for elimination in the fiscal year 1996 Commerce-Justice-State-Judiciary appropriations bill (H.R. 2076), I offered an amendment with Senators SNOWE, DASCHLE, LEAHY, LIEBERMAN and JEFFORDS that restored \$18.9 million for this valuable program. The motion to table my amendment was defeated overwhelmingly by a bipartisan vote of 64 to 33, reversing a death sentence for a competitive, merit-based program that empowers people by linking rural and underserved communities to advanced telecommunications technologies.

Mr. President, the Federal seed money from TIAP is generating partnerships and matching investments that are helping communities in my State of Nebraska and across the Nation join the information revolution. In Beatrice, NE, which previously had no meaningful way to communicate electronically, a TIAP grant is funding the Beatrice Connection. Beginning next month, the Beatrice Connection will link the entire community—its public schools, library, community college, city government, and residents—using a metropolitan area network [MAN] and wireless communications. In Lincoln, NE, TIAP is empowering people through InterLinc, which provides dial-up, toll-free Internet access to low-income, ethnically diverse, and rural areas of Lincoln and its surrounding rural communities. InterLinc also provides on-line access to Government agencies, thus permitting citizens greater ease in using Government services.

Information and communications are fast becoming the keys to economic success in this country and around the world. By the 21st century, these industries will represent close to one-sixth of the world economy. Yet according to a recent study, by the year 2000, 60 percent of jobs in this country will require skills held by only 20 percent of the population. Our kids will not be able to compete with a software programmer in New Delhi or Tokyo if they do not

have access to computers and the Internet.

Currently, however, many communities do not have access to advanced information or communications either at home, in the local school, or the local library. I receive numerous letters and telephone calls from Nebraskans, particularly from educators and health care practitioners, who want affordable access to Internet and other advanced telecommunications resources. According to NTIA, this lack of access is most pronounced in rural and inner city communities, which could spell disaster for the future of many youths.

TIAP is specifically designed to connect these communities to the kinds of information they need to find educational opportunities, job training, new employment, and better medical care.

TIAP grants are bridging information gaps for children from farming communities, who are downloading images of the planets and exchanging e-mail with space scientists. Emergency room doctors in remote rural areas are using computer networks and video imaging to consult with specialists in major medical centers to diagnose injuries and deliver life-saving care. And teachers are upgrading their skills by taking advanced courses through the Internet without leaving their school building. TIAP provides seed money for everything from computer links to professional development to advanced software.

Many innovative projects would never get off the ground without the assistance provided by this program. TIAP represents the best Federal investment we can make in this area—it is oriented toward the future, it is highly competitive, and every Federal dollar is matched by one or more private dollars. Grants totaling \$24.4 million in 1994 generated \$40 million in matching funds to support projects in health care, education, economic development, infrastructure planning, and library services.

Mr. President, the constant fight to fund TIAP shows how difficult it is becoming to make investments in the United States as entitlement programs continue to grow and consume large portions of the Federal budget. I am committed to reforming entitlements precisely because, if we fail to do so, programs like TIAP and others funded by the Hollings-Daschle amendment will become a memory.

The amendment which I am cosponsoring today would fund 100 additional TIAP awards in fiscal year 1996, connecting more schools, libraries, and public health facilities to telecommunications technology. I urge my colleagues to vote for the Hollings-Daschle amendment, to ensure that major portions of our country are not left out of the information age.

Mr. LEVIN. Mr. President, I support the Hollings amendment that would restore funding for key industry and

technology programs that provide high-wage jobs for American workers.

This appropriations bill would make short-sighted cuts to programs that build American industry, increase exports, and promote American jobs. In the final analysis, these cuts would damage the long-term economic prospects of American families.

The cuts I am talking about target the Department of Commerce, which opponents label as unimportant to the country. In fact, the Department of Commerce is a Federal agency that works day in and day out to help keep American businesses one step ahead of foreign rivals in an era of increasing competition. It is the agency that supports the kind of cutting-edge technologies crucial to U.S. businesses winning the international trade wars and capturing markets for U.S. manufactured goods at the dawn of the 21st century.

If we abandon our support for research and development in this time of expanding global markets, we will find ourselves fighting an uphill battle for economic security in the years ahead. Not only are these cuts penny-wise and pound-foolish, they sacrifice our economic future for meager budget savings.

This bill would hold important programs hostage by making their funding contingent on a budget agreement between the President and Congress. The contingency would require the passage of a separate bill necessary.

The bill would withhold funding for the Advanced Technology Program, or ATP, which promotes research in cross-cutting technologies that are too long term in payoff for private firms to pursue alone. The enabling technologies developed under this program help American firms compete in fast-paced international markets. Other governments are far more aggressive in funding technology.

Some of my colleagues have called the Advanced Technology Program corporate welfare, but that misses the point that the real benefactors are American workers who will profit from high-technology and high-wage jobs. The ATP is a forward-looking cost-effective investment in America's technology base essential to our long-term economic growth. To abandon it as this bill does is a mistake and a blow to American competitiveness.

The ATP is a young program, but early results show that it's working. The Autobody Consortium from my home State of Michigan, for example, used an ATP grant to develop a new measurement technology that has led to dramatic improvements in reliability and performance of American cars. The technology is giving us a leg up on foreign automakers. That means that we'll sell more cars and create more high-paying jobs for American workers.

The Hollings amendment would rescue ATP funding from the proposed contingency fund so that ATP's important work can continue uninterrupted.

It would also provide funds to allow ATP to support new research rather than only fund ongoing research.

Another short-sighted measure of this bill is the grab of funds set aside for the National Institute of Standards and Technology's lab modernization effort. NIST provides basic infrastructure for the whole gamut of this country's industries by developing state-of-the-art measurement technologies. The current facilities at the Institute are almost 40 years old and in desperate need of renovation or replacement. Without new facilities, NIST risks becoming technologically obsolete and unable to continue its world-class research efforts.

While this bill restores half of the funds taken in an earlier Senate version, it still takes back too much from the moneys set aside for the NIST modernization effort. It also penalizes an agency that showed initiative and restraint by husbanding these funds over the years to make physical plant investments. Why should any agency save money when accumulated savings are snatched back and years of planning demolished?

The ATP and NIST modernization effort are just 2 examples of many cuts in critical industry and technology programs. Other examples include the Telecommunications and Infrastructure Assistance Program, that provides seed money to connect our schools to the Internet, and the Environmental Technology Initiative at EPA, that supports cost-shared development of innovative pollution-control technologies.

It is wrong to cut cost-effective R&D programs to achieve minimal budget savings. If our primary goal in balancing the budget is long-term economic growth, then we should safeguard initiatives that will help us reach that objective. The programs cut in this bill are precisely the kind that will promote long-term economic growth, by giving American firms the technological edge they need to build exports, increase profits, and create high-wage jobs.

We are cutting our investment in industry and technology at the same time our competitors are stepping up their efforts. A recent report by the Council of Economic Advisors [CEA] showed that the United States invests far less in technology and trade than our primary competitors. In fact, over the last two decades, the United States has increasingly lagged behind both Germany and Japan in nondefense R&D expenditures as a percentage of GDP. We currently ranked dead last among our major trading partners in spending to build exports.

And the news gets worse, Mr. President. The CEA report further reveals that the congressional budget resolution may slash Federal civilian R&D spending by almost 30 percent by the year 2002. In contrast, the Japanese Government plans to double its R&D investment by the year 2000. Even

though the United States has traditionally spent a lower percentage of GDP on R&D than its competitors, it has always been first in absolute expenditures. In the near future even this will change. By 1997, the Japanese Government will actually spend more on R&D, in total dollars, than the United States.

The proposed cuts to the Commerce Department budget are bad for the country and bad for my home State of Michigan. Michigan is the third largest exporting State behind California and Texas. Last year, \$35 billion in exports, almost all from manufactured goods, supported about 500,000 Michigan jobs. Thousands of Michigan companies benefit from the industry and technology support programs administered by the Department of Commerce.

Many of those companies have written to me to offer their enthusiastic support for the Advanced Technology Program and other Commerce Department initiatives.

"NIST has a tradition of being a positive contributor to the competitiveness of U.S. industry and the ATP program is an excellent example of how the federal government can help," wrote Perceptron, a small high-technology company in Farmington Hills.

"With an expanding global economy and increasing challenges facing U.S. companies, U.S. businesses today have a critical need for assistance from the U.S. Department of Commerce to enter and successfully compete in world markets," wrote the S.I. Company of Ann Arbor.

The Commerce Department "has concentrated on helping small- and medium-sized firms export. These are the same companies that have driven our surge in exports and our growth in employment. Are we trying to 'kill the goose that lays the golden egg'?" wrote Keesee and Associates of Birmingham.

Mr. President, if we choose to turn our backs on technology at this critical juncture, we weaken the prospects for a more productive, more prosperous America. I hope the Senate will adopt the Hollings amendment.

Mr. HARKIN. Mr. President, I strongly support passage of the Hollings amendment. We need to keep our Nation on the cutting edge in technology and the amendment helps to do that. It helps businesses bring creative ideas into the international marketplace. It promotes finding more efficient technologies to reduce environmental problems and it helps educational institutions provide the tools they need to teach our children with the latest computer technology.

I want to particularly note the debt collection provisions contained in the amendment. Because of those provisions, CBO has scored the amendment as fully paid for. The debt collection provisions are complicated. But, its goal is very simple: The Government needs to systematically do a better job of collecting the money that is owed to it. And, it does a pretty poor job of doing that now.

Many may not like the debt collector. But, if the Government does not collect, other taxpayers must make the payment instead. That is not fair. The United States has billions of dollars in uncollected debts. School loans unpaid, businesses that did not pay back the SBA, farmers who did not pay their loans, all kinds of debts. Yet, the Government is writing checks to some of those same people month after month for various payments anyway. The Government is making new loans on top of the old ones. And, those who do not pay, usually suffer no damage to their credit ratings.

Under this measure, that changes. First, the collection of bad debts are more centralized and given to staff who focus on collecting those debts, including when necessary private attorneys. Second, the Government can start garnishing most kinds of government payments. Third, the Government is not going to make new loans or loan guarantees to those who don't pay their debts. Fourth, the Government is going to act like most businesses and will pass the information on to credit agencies. Fifth, the Government is going to be able to more efficiently foreclose on property. And, the measure provides for a lot of other provisions that makes it more likely that different parts of the Government will work together to make collecting bad debts a priority.

The amendment also makes these methods available to collect delinquent child care payments. Few causes are more significant to the cause of children living in poverty and women going on welfare than the failure of parents to support the child. And, I very strongly feel that the Government should do more in that area.

Mr. GREGG. Mr. President, I suggest we go to vote.

VOTE ON AMENDMENT NO. 3474

THE PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Louisiana [Mr. BREAU] is necessarily absent.

The results was announced—yeas 47, nays 52, as follows:

The result was announced—yeas 47, nays 52, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—47

Akaka	Ford	Lieberman
Baucus	Glenn	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Heflin	Murray
Bradley	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Burns	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feinstein	Levin	

NAYS—52

Abraham	Frist	McConnell
Ascroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Pressler
Brown	Grassley	Roth
Campbell	Gregg	Santorum
Chafee	Hatch	Shelby
Coats	Hatfield	Simpson
Cochran	Helms	Smith
Cohen	Hutchison	Snowe
Coverdell	Inhofe	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	
Feingold	McCain	

NOT VOTING—1

Breaux

So the amendment (No. 3474) was rejected.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Nevada is recognized.

Mr. REID. Mr. President, without losing my right to the floor, I would like to yield to my friend from New Hampshire.

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

AMENDMENT NOS. 3476 AND 3477 TO AMENDMENT NO. 3466

Mr. GREGG. Mr. President, I send two amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. LAUTENBERG, for himself, Mr. HOLLINGS, and Mr. KERRY, proposes an amendment numbered 3476 to amendment No. 3466.

The Senator from New Hampshire [Mr. GREGG], for Mr. REID, proposes an amendment numbered 3477 to amendment No. 3466.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 3476

At the appropriate places in Title II of the Hatfield Substitute amendment, insert the following new sections:

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Federal Bureau of Investigation's efforts in the United States to combat Middle Eastern terrorism, \$7,000,000, to remain available until expended: *Provided*, That such activities shall include efforts to enforce Executive Order 12947 ("Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process") to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further*, That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that in-

cludes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Office of Foreign Assets Control's efforts in the United States to combat Middle Eastern terrorism, \$3,000,000, to remain available until expended: *Provided*, That such activities shall include efforts to enforce Executive Order 12947 ("Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process") to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further*, That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

AMENDMENT NO. 3477

(Purpose: To amend title 18, United States Code, to carry out certain obligations of the United States under the International Covenant on Civil and Political Rights by prohibiting the practice of female circumcision)

At the appropriate place under the heading of "General Provisions" at the end of the bill, insert the following new section:

SEC. (a) This section may be cited as the "Federal Prohibition of Female Genital Mutilation Act of 1996".

(b) Congress finds that—

(1) the practice of female genital mutilation is carried out by members of certain cultural and religious groups within the United States;

(2) the practice of female genital mutilation often results in the occurrence of physical and psychological health effects that harm the women involved;

(3) such mutilation infringes upon the guarantees of rights and secured by Federal and State law, both statutory and constitutional;

(4) the unique circumstances surrounding the practice of female genital mutilation place it beyond the ability of any single State or local jurisdiction to control;

(5) the practice of female genital mutilation can be prohibited without abridging the exercise of any rights guaranteed under the First Amendment to the Constitution or under any other law; and

(6) Congress has the affirmation power under section 8 of article I of the Constitution, as well as under section 5 of the Fourteenth Amendment to the Constitution, to enact such legislation.

(c) It is the purpose of this section to protect and promote the public safety and health and activities affecting interstate commerce by establishing Federal criminal penalties for the performance of female genital mutilation.

(d)(1) Chapter 7 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 116. Female genital mutilation

"(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or

infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) A surgical operation is not a violation of this section if the operation is—

"(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

"(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, midwife, or person in training to be come such a practitioner or midwife.

"(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that or any other person that the operation is required as a matter of custom or ritual.

"(d) Whoever knowingly denies to any person medical care or services or otherwise discriminates against any person in the provision of medical care or services, because—

"(1) that person has undergone female circumcision, excision, or infibulation; or

"(2) that person has requested that female circumcision, excision, or infibulation be performed on any person; shall be fined under this title or imprisoned not more than one year, or both."

(2) The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end of the following new item:

"116. Female genital mutilation."

(e)(1) The Secretary of Health and Human Services shall do the following:

(A) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

(B) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

(C) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

(2) For purposes of this subsection, the term "female genital mutilation" means the removal of infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

(f) Subsection (e) shall take effect on the date of enactment of this Act, and the Secretary of Health and Human Services shall commence carrying out such section not later than 90 days after the date of the enactment of this Act. Subsection (d) shall take effect on the date that is 180 days after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the first amendment is the Lautenberg-Hollings amendment which has been cleared on both sides. The amendment would provide \$7 million for the FBI and \$3 million for Treasury to combat Middle

Eastern terrorism. Funds would only be available if and to the extent the President designates such an emergency.

The second amendment is the Reid amendment dealing with female genital mutilation. It has been cleared on both sides.

I ask unanimous consent that both amendments be agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, both amendments are agreed to.

So the amendments (Nos. 3476 and 3477) were agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote on the Hollings amendment.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. That motion ran to the Hollings amendment, which was offered two amendments prior to this.

The PRESIDING OFFICER. The Chair thanks the Senator for the clarification.

Mr. GREGG. I thank the Senator from Nevada for his cooperation.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

AMENDMENT NO. 3477

Mr. REID. Mr. President, even though my friend from New Hampshire has quietly offered an amendment that has been accepted, it is extremely important. It is an amendment that I have been trying to pass for a number of years in this body. We have been successful, but it has been knocked out in the other body. That deals with a subject which is difficult to talk about, female genital mutilation. It is a horrible procedure that is perpetrated on women all over this world. What this amendment does is stop it from being done to women in the United States.

I express my appreciation to my friend from New Hampshire for making this part of the managers' amendment to this legislation.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I want to just take a few minutes. I have waited patiently. I want to talk about the Lautenberg-Hollings-Kerry amendment. Our amendment would provide \$7 million for the Federal Bureau of Investigation and \$3 million for the Department of the Treasury to address the emergency of terrorism in the Middle East.

The funding would be used to enhance efforts to prevent illegal fundraising in the United States on behalf of organizations, such as the ill-famed Hamas organization, that support terror to undermine the Middle East peace process.

Now, the funding we are proposing would bolster the FBI and the Treasury Department's efforts to promote greater enforcement of Executive Order 12947, which is listed as "Prohibiting

Transaction with Terrorists Who Threaten to Disrupt the Middle East Peace Process." Under that Executive order and subsequent notices that are published by the Treasury Department, American citizens are prohibited from making contributions to Hamas along with organizations and individuals that front for Hamas. Even more, the assets of such terrorists and terrorist organizations are frozen by the Treasury Department. That is in the Executive order.

Mr. President, I ask unanimous consent that a copy of the President's Executive order be printed in the RECORD at the end of my statement.

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

(See exhibit 1.)

Mr. LAUTENBERG. Despite the existence of this Executive order, Mr. President, from the United States, funds are still being sent to Hamas, the organization that takes credit for suicide bombings, for killing innocent people, for injuring scores of others. One report I heard on the radio this morning estimated that \$10 million was being sent annually by Americans to Hamas.

By the way, that is tax-exempt, if my understanding is correct, tax-exempt funds to help terrorists work their dastardly deeds. Even the FBI acknowledges Americans are still contributing money to Hamas. In one article, Robert Bryant, Assistant Director of the Federal Bureau of Investigation's National Security Division, said, "U.S. financial support is funding for Hamas."

I ask unanimous consent that a copy of the article be printed in the RECORD at the end of my remarks.

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

(See exhibit 2.)

Mr. LAUTENBERG. While some of these contributions may not be used to promote terrorism in the Middle East, I think we need to be more certain. Blood for the despicable murders in Israel that the world has witnessed in the past few weeks is already on the hands of the Hamas militants. I do not want it on the hands of American citizens, as well. There are no words to express sufficient outrage at the rash of Hamas-supported suicide bombings in Israel. In four recent bus bombings, 48 innocent people have been killed by Hamas madmen. Clearly, the United States has an interest in helping our friend and ally, Israel, put an end to this madness.

We also have a more direct interest at stake. Though Hamas militants aim to strike a blow to the peace process and in the psyche of the Israeli people, its suicide bombs do not distinguish between soldier and citizen, between infant and adult, or even between Israeli and other nationals.

Unfortunately, two of the most recent victims of Hamas' senseless violence were young adults from the United States. Two were from New Jersey: Sarah Duker, from Teaneck, NJ,

and her fiancé, Matt Eisenfeld, from Connecticut. Another college student from New Jersey, Alisa Flatow, was killed last April in another Hamas suicide bombing.

My concern and the concern which this amendment addresses is that the funds raised in this country may be used by Hamas militants to take the lives of both American and Israeli citizens. Although American citizens are not detonating the bombs, they may be providing the financial support which enables Hamas militants to pull the pin.

Since the Executive order went into effect just over a year ago, some progress has been made in stemming the flow of financial support from the United States. Press reports indicate that \$800,000 in assets have been blocked, unable to be transferred to their Middle East recipients. Unfortunately, the dramatic increase in Hamas-supported violence reminds us that the job is far from done. Despite our efforts, Hamas militants continue to gloat in the killing and continue to make martyrs of the murderers.

The graphic photographs of blood from the Middle East compel us to redouble our efforts to choke off support in the United States for Hamas militants. It is not enough to declare war against fundraising Hamas' militant activities, but we need to put our money where our mouth is and provide additional resources to get the job done, to stop terrorism.

The funding provided in this amendment would enable our Government to accelerate investigations of individuals and organizations that it has good reason to believe are attempting to fund the Hamas death machine. It would provide funding for additional analysts, equipment and intelligence-gathering equipment in the United States aimed at addressing this problem in the Middle East.

It will provide resources to allow for better tracing of funds once they leave the United States so that we can be more certain that American dollars are not ending up in the coffers of Hamas militants. It will provide resources to promote greater efficiency in freezing the assets to stop bankrolling of terrorism dead in its tracks.

Mr. President, this week our President, Bill Clinton, will join world leaders at a summit in Egypt on terrorism. He has left already. He will, among other things, call upon leaders in the Middle East to redouble efforts to ensure that the financial wealth for these extremists is going to run dry. I applaud his initiative and wish him well in this worthwhile endeavor. I hope that he will say publicly that Syria's unwillingness to come to the talks on terrorism, that their client state, Lebanon, is essentially prohibited from joining in these talks, is an action that we deplore. How can we believe and how can the Israeli people believe that Syria will talk seriously about peace

when they will not come to a discussion about the reduction or elimination of terrorism?

I want the record to reflect accurately, I think it is a terrible sign of their intention about making peace. Syria has to know that we here in the United States want them to be honest and forthcoming in their peace discussion and not to come to a meeting that consists of tens of nations' representatives in the area, willing to discuss peace, willing to discuss at least the elimination of reduction of terrorism—I think reflects very badly on the seriousness of their view.

I can think of no better way of helping our President succeed in his effort to shut off the international funding spigot for Hamas' terrorists than by showing the world, as this amendment would do, that we are doubling our efforts to do the same at home. This amendment will not solve all of the problems of terrorism in the Middle East, but it demonstrates America's resolve to ensure that our citizens are not directly or inadvertently financing the actions of terrorists.

I am grateful that we obtained the unanimous support of our colleagues to enhance our ability to fight harder against the killers of innocent people and to fight against the thugs that do not understand that the civilized world rejects their approach of murder to gain political objectives.

Mr. President, I ask unanimous consent to have printed in the RECORD a pertinent letter from the Anti-Defamation League.

There being no objection, the motion was ordered to be printed in the RECORD, as follows:

THE LEON AND MARILYN
KLINGHOFFER MEMORIAL FOUNDATION
OF THE ANTI-DEFAMATION
LEAGUE,

Washington DC, March 12, 1996.

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC

DEAR SENATOR LAUTENBERG: On behalf of the Leon and Marilyn Klinghoffer Foundation of the Anti-Defamation League, we want to thank you for your leadership in the fight against terrorism and for seeking to keep this country from being used as a base to raise funds and finance the activity of terrorist organizations.

Ten years after the senseless murder of our father, Leon Klinghoffer, aboard the Achille Lauro cruise ship, terrorism has hit home for other Americans. Unfortunately, our laws are still inadequate to meet the changing nature of the terrorist threat.

We welcome and strongly support your amendment to increase funding for the FBI and the Treasury Department's Office of Foreign Assets Control. This would provide additional resource to facilitate and enhance their investigative abilities to uncover assets, property, and fundraising support in the United States for foreign terrorist organizations designated (under President Clinton's Executive Order 12947, January 23, 1995) as "threatening to disrupt the Middle East Peace Process."

We are ready to assist you in your efforts to build support among your colleagues for this initiative and are dedicated to helping

to prevent another family from suffering the painful reality of terrorism.

Sincerely,

LISA KLINGHOFFER.

LISA KLINGHOFFER.

ABRAHAM H. FOXMAN.

EXHIBIT 1

EXECUTIVE ORDER 12947 OF JANUARY 23, 1995—
PROHIBITING TRANSACTIONS WITH TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, William J. Clinton, President of the United States of America, find that grave acts of violence committed by foreign terrorists that disrupt the Middle East peace process constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. Except to the extent provided in section 203(b)(3) and (4) of IEEPA (50 U.S.C. 1702(b)(3) and (4)) and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date:

(a) all property and interests in property of:

(i) the persons listed in the Annex to this order;

(ii) foreign persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, because they are found:

(A) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or

(B) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence; and

(iii) persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any of the foregoing persons, that are in the United States, that hereafter come within the United States, or that hereafter come within the possession or control of United States persons, are blocked;

(b) any transaction or dealing by United States persons or within the United States in property or interests in property of the persons designated in or pursuant to this order is prohibited, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons;

(c) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order, is prohibited.

Sec. 2. For the purposes of this order: (a) the term "person" means an individual or entity;

(b) the term "entity" means a partnership, association, corporation, or other organization, group, or subgroup;

(c) the term "United States person" means any United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States; and

(d) the term "foreign person" means any citizen or national of a foreign state (including any such individual who is also a citizen or national of the United States) or any entity not organized solely under the laws of the United States or existing solely in the United States, but does not include a foreign state.

Sec. 3. I hereby determine that the making of donations of the type specified in section 203(b)(2)(A) of IEEPA (50 U.S.C. 1702(b)(2)(A)) by United States persons to persons designated in or pursuant to this order would seriously impair my ability to deal with the national emergency declared in this order, and hereby prohibit such donations as provided by section 1 of this order.

Sec. 4. (a) The Secretary of the Treasury, in consultation with the Secretary of State and, as appropriate, the Attorney General, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by IEEPA as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

(b) Any investigation emanating from a possible violation of this order, or of any license, order, or regulation issued pursuant to this order, shall first be coordinated with the Federal Bureau of Investigation (FBI), and any matter involving evidence of a criminal violation shall be referred to the FBI for further investigation. The FBI shall timely notify the Department of the Treasury of any action it takes on such referrals.

Sec. 5. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 6. (a) This order is effective at 12:01 a.m., eastern standard time on January 24, 1995.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

WILLIAM J. CLINTON,

January 23, 1995.

ANNEX

TERRORIST ORGANIZATIONS WHICH THREATEN TO
DISRUPT THE MIDDLE EAST PEACE PROCESS

Abu Nidal Organization (ANO)

Democratic Front for the Liberation of Palestine (DFLP)

Hizballah

Islamic Gama'at (IG)

Islamic Resistance Movement (HAMAS)

Jihad

Kach

Kahane Chai

Palestinian Islamic Jihad-Shiqaqi faction (PIJ)

Palestine Liberation Front-Abu Abbas faction (PLF-Abu Abbas)

Popular Front for the Liberation of Palestine (PFLP)

Popular Front for the Liberation of Palestine-General Command (PFLP-GC)

OFFICE OF FOREIGN ASSETS CONTROL

LIST OF SPECIALLY DESIGNATED TERRORISTS
WHO THREATEN TO DISRUPT THE MIDDLE EAST
PEACE PROCESS—WEDNESDAY, JANUARY 25,
1995

Agency: Office of Foreign Assets Control, Treasury.

Action: Notice of blocking.

Summary: The Treasury Department is issuing a list of blocked persons who have

been designated by the President as terrorist organizations threatening the Middle East peace process or have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations.

Effective date: January 24, 1995.

For further information: J. Robert McBrien, Chief, International Programs, Tel.: (202) 622-2420; Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220.

Supplementary information:

Electronic availability

This document is available as an electronic file on The Federal Bulletin Board the day of publication in the Federal Register. By modem dial 202/512-1387 or call 202/512-1530 for disks or paper copies. This file is available in Postscript, WordPerfect 5.1 and ASCII.

Background

On January 23, 1995, President Clinton signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order"). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively "Specially Designated Terrorists" or "SDTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or his delegate, or the Director of the Office of Foreign Assets Control acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the Federal Register, or upon prior actual notice.

LIST OF SPECIALLY DESIGNATED TERRORISTS WHO THREATEN THE MIDDLE EAST PEACE PROCESS

Note: The abbreviations used in this list are as follows: "DOB" means "date of birth," "a.k.a." means "also known as," and "POB" means "place of birth."

ENTITIES

Abu Nidal Organization (a.k.a. ANO, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Al-Gama'a Al-Islamiyya (a.k.a. Islamic Gama'AT, a.k.a. Gama'AT, a.k.a. Gama'AT

Al-Islamiyya, a.k.a. The Islamic Group); Egypt.

Al-Jihad (a.k.a. Jihad Group, a.k.a. Vanguard of Conquest, a.k.a. Talaa'al al-Fateh); Egypt.

ANO (a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Ansar Allah (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Arab Revolutionary Brigades a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Arab Revolutionary Council (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Faith Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Black September (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Democratic Front for the Liberation of Palestine (a.k.a. Democratic Front for the Liberation of Palestine—Hawatmeh Faction, a.k.a. DFLP); Lebanon; Syria; Israel.

Democratic Front for the Liberation of Palestine—Hawatmeh Faction (a.k.a. Democratic Front for the Liberation of Palestine, a.k.a. DFLP); Lebanon; Syria; Israel.

DFLP (a.k.a. Democratic Front for the Liberation of Palestine—Hawatmeh Faction, a.k.a. Democratic Front for the Liberation of Palestine); Lebanon; Syria; Israel.

Fatah Revolutionary Council (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Followers of the Prophet Muhammad (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah); Lebanon.

Gama'at (a.k.a. Islamic Gama'at, a.k.a. Gama'at Al-Islamiyya, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Gama'at Al-Islamiyya (a.k.a. Islamic Gama'at, a.k.a. Gama'at, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Hamas (a.k.a. Islamic Resistance Movement); Gaza; West Bank Territories; Jordan. Hizballah (a.k.a. Party of God, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Gama'at (a.k.a. Gama'at, a.k.a. Gama'at Al-Islamiyya, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Islamic Jihad (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Revolutionary Justice Or-

ganization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Jihad for the Liberation of Palestine (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Jihad of Palestine (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

Islamic Jihad of Palestine (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan, Lebanon.

Islamic Resistance Movement (a.k.a. Hamas); Gaza; West Bank Territories; Jordan.

Jihad Group (a.k.a. Al-Jihad, a.k.a. Vanguard of conquest, a.k.a. Talaa'al Al-fateh); Egypt.

Kach; Israel.

Kahane Chai; Israel.

Organization of the Oppressed on Earth (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Palestine Liberation Front—Abu Abbas Faction, a.k.a. PLF—Abu Abbas, a.k.a. PLF); Iraq.

Palestine Liberation Front—Abu Abbas Faction (a.k.a. PLF—Abu Abbas, a.k.a. PLF, a.k.a. Palestine Liberation Front); Iraq.

Palestinian Islamic Jihad—Shiqaqi (a.k.a. PIJ, a.k.a. Islamic Jihad of Palestine, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

Party of God (a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

PFLP (a.k.a. Popular Front for the Liberation of Palestine); Lebanon; Syria; Israel.

PFLP-GC (a.k.a. Popular Front for the Liberation of Palestine—General Command); Lebanon; Syria; Jordan.

PIJ (a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. Islamic Jihad of Palestine, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

PIJ Shiqaqi/Awda Faction (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. Islamic Jihad of Palestine, a.k.a. Palestinian Islamic Jihad); Israel, Jordan; Lebanon.

PLF (a.k.a. PLF—Abu Abbas, a.k.a. Palestine Liberation Front—Abu Abbas Faction, a.k.a. Palestine Liberation Front); Iraq.

PLF—Abu Abbas (a.k.a. Palestine Liberation Front—Abu Abbas Faction, a.k.a. PLF, a.k.a. Palestine Liberation Front); Iraq.

Popular Front for the Liberation of Palestine (a.k.a. PFLP); Lebanon; Syria; Israel.

Popular Front for the Liberation of Palestine—General Command (a.k.a. PFLP-GC); Lebanon; Syria; Jordan.

Revolutionary Justice Organization (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Revolutionary Organization of Socialist Muslims (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a.

Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades); Libya; Lebanon; Algeria; Sudan; Iraq.

Talaa'al al-Fateh (a.k.a. Jihad Group, a.k.a. Al-Jihad, a.k.a. Vanguard of Conquest); Egypt.

The Islamic Group (a.k.a. Islamic Gama'at, a.k.a. Gama'at, a.k.a. Gama'at al-Vanguards of Conquest (a.k.a. Jihad Group, a.k.a. Al-Jihad, a.k.a. Talaa'al al-Fateh); Egypt.

INDIVIDUALS

Abbas, Abu (a.k.a. Zaydan, Muhammad); Director of Palestine Liberation Front—Abu Abbas Faction; DOB 10 December 1948.

Al Banna, Sabri Khalil Abd Al Qadir (a.k.a. Nidal, Abu); Founder and Secretary General of Abu Nidal Organization; DOB May 1937 or 1940; POB Jaffa, Israel.

Al Rahman, Shaykh Umar Abd; Chief Ideological Figure of Islamic Gama'at; DOB 3 May 1938; POB Egypt.

Al Zawhiri, Dr. Ayman; Operational and Military Leader of Jihad Group; DOB 19 June 1951; POB Giza, Egypt; Passport No. 1084010 (Egypt).

Al-Zumar, Abbud (a.k.a. Zumar, Colonel Abbud); Factional Leader of Jihad Group; Egypt; POB Egypt.

Awda, Abd Al Aziz; Chief Ideological Figure of Palestinian Islamic Jihad—Shiqaqi; DOB 1946.

Fadlallah, Shaykh Muhammad Husayn; Leading Ideological Figure of Hizballah; DOB 1938 or 1936; POB Najf Al Ashraf (Najaf), Iraq.

Habbash, George (a.k.a. Habbash, George); Secretary General of Popular Front for the Liberation of Palestine.

Habbash, George (a.k.a. Habbash, George); Secretary General of Popular Front for the Liberation of Palestine.

Hawatma, Nayif (a.k.a. Hawatmeh, Nayif, a.k.a. Hawtmah, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Hawatmah, Nayif (a.k.a. Hawatma, Nayif; a.k.a. Hawtmeh, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Hawatmeh, Nayif (a.k.a. Hawatma, Nayif; a.k.a. Hawtmah, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Islambouli, Mohammad Shawqi; Military Leader of Islamic Gama'at; DOB 15 January 1955; POB Egypt; Passport No. 304555 (Egypt).

Jabril, Ahmad (a.k.a. Jibril, Ahmad); Secretary General of Popular Front for the Liberation of Palestine—General Command; DOB 1938 POB Ramleh, Israel.

Jibril, Ahmad (a.k.a. Jabril, Ahmad); Secretary General of Popular Front for the Liberation of Palestine—General Command; DOB 1938; POB Ramleh, Israel.

Khalid, Abu (a.k.a. Hawatmeh, Nayif, a.k.a. Hawatma, Nayif, a.k.a. Hawtmah, Nayif); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Mughniyah, Imad Fa'iz (a.k.a. Mughniyah, Imad Fayiz); Senior Intelligence Officer of Hizballah; DOB 7 December 1962; POB Tayr Dibba, Lebanon; Passport No. 432298 (Lebanon).

Mughniyah, Imad Fayiz (a.k.a. Mughniyah, Imad Fa'iz); Senior Intelligence Officer of Hizballah; DOB 7 December 1962; POB Tayr Dibba, Lebanon; Passport No. 432298 (Lebanon).

Naji, Talal Muhammad Rashid; Principal Deputy of Popular Front for the Liberation of Palestine—General Command; DOB 1930; POB Al Nasiria, Palestine.

Nasrallah, Hasan; Secretary General of Hizballah; DOB 31 August 1960 or 1953 or 1955 or 1958; POB Al Basuriyah, Lebanon; Passport No. 042833 (Lebanon).

Nidal, Abu (a.k.a. Al Banna, Sabri Khalil Abd Al Qadir); Founder and Secretary General of Abu Nidal Organization; DOB May 1937 or 1940; POB Jaffa, Israel.

Qasem, Talat Fouad; Propaganda Leader of Islamic Gama'at; DOB 2 June 1957 or 3 June 1957; POB Al Mina, Egypt.

Shaqqi, Fathi; Secretary General of Palestinian Islamic Jihad—Shiqaqi.

Tufayli, Subhi; Former Secretary General and Current Senior Figure of Hizballah; DOB 1947; POB Biqa Valley, Lebanon.

Yasin, Shaykh Ahmad; Founder and Chief Ideological Figure of Hamas; DOB 1931.

Zaydan, Muhammad (a.k.a. Abbas, Abu); Director of Palestine Liberation Front—Abu Abbas Faction; DOB 10 December 1948.

Zumar, Colonel Abbud (a.k.a. Al-zumar, Abbud); Factional Leader of Jihad Group; Egypt; POB Egypt.

Dated: January 23, 1995.

R. RICHARD NEWCOMB,

Director, Office of Foreign Assets Control.

Approved: January 23, 1995.

JOHN BERRY,

Deputy Assistant Secretary (Enforcement).

EXHIBIT 2

FBI SAYS HAMAS RAISING FUNDS IN UNITED STATES

WASHINGTON.—A top FBI official acknowledged Wednesday that Americans are contributing money to Hamas, the Islamic Resistance Movement, which has claimed responsibility for recent deadly attacks in Israel.

"U.S. financial support is funding for Hamas," Robert Bryant, assistant director of the Federal Bureau of Investigation's national security division, told reporters. He said most of the donors believe the money is being used for charitable purposes.

"I think the people believe in good faith it's going to charitable purposes. I think there will be a very determined effort to cut it off," he told the Defense Writers Association, declining to specify how this would be done.

Israeli Ambassador Itamar Rabinovich told a news conference this week that Americans were contributing funds to Hamas. "It's not a question of opinion. It's a question of facts. And I'm afraid they still do," he said.

"That Hamas became very sophisticated in fund-raising and disguising the true purpose of fund-raising and these are facts. These are not a matter of opinion," Rabinovich said.

Hamas has claimed responsibility for recent attacks in Israel including a suicide bombing Monday that killed 12 people in Tel Aviv and one Sunday that killed 18 people in Jerusalem. The attacks, which followed the killing of a key Hamas figure with a booby-trapped cellular telephone in January, have stalled Middle East peace negotiations.

President Bill Clinton, responding to previous attacks against Israel, signed an executive order in January 1995 blocking assets in the United States of "terrorist organizations that threaten to disrupt the Middle East peace process" and prohibiting financial transactions with them.

Hamas, which was founded in 1987 and funds its strength among Palestinians in the West Bank and Gaza Strip, was one of a dozen groups listed in the order.

In last year's terrorism report, the State Department said Hamas receives funds from Palestinian expatriates, Iran and private benefactors in Saudi Arabia and other moderate Arab states.

In addition to launching violent attacks against Israel, Hamas provides medical and social services to Palestinians.

The U.S. Treasury Department, whose Office of Foreign Assets Control executes the presidential order, said Monday that since January 1995, \$800,000 worth of Hamas-related assets, involving three individuals, have been frozen.

But a Treasury spokesman could not immediately say whether the effort was considered successful and what the total amount of Hamas fund-raising in the United States was believed to be. Nor could he say if the three individuals whose assets were frozen have been charged with any crimes.

Mr. HOLLINGS. Mr. President, I want to thank the Senator from New Jersey for bringing this issue to the Senate and I am pleased to cosponsor this amendment. Getting directly to the point, this amendment provides an additional \$10 million to the Federal Bureau of investigation and the Department of Treasury to combat international terrorism.

We have all been shocked and saddened to see the death and destruction caused by Hamas terrorists in Israel. These fanatics, and that is just what they are—these zealots are doing everything they can to stop the peace process. The scenes from the Middle East are simply revolting. Several times in the past few weeks we have watched innocent people—men, women, and children both Israeli and American—killed in senseless terrorist bombings. It is as if the people of Israel are being subjected to a tragedy like the Oklahoma City bombing—over and over again. They cannot even safely take public transportation without risking their lives.

President Clinton and Secretary of State Christopher will be in Egypt tomorrow to convene an international conference to combat terrorism. The President recently sent the Deputy Director of the CIA to meet with Israeli and Palestinian officials to see what technical assistance the United States can provide. I applaud him for the leadership he has shown on this issue and I hope he can achieve concrete progress at the conference.

Mr. President, I am appalled when I hear reports that funding to support Hamas and other Middle-Eastern terrorism is coming from the United States. It is hard for this Senator to believe that any American would knowingly contribute money to support these cold blooded killers. But, apparently that is the case.

So, this amendment provides Judge Freeh and his FBI with the resources needed to get to the bottom of this issue. It will help them uncover groups and institutions that are providing millions of dollars to support terrorism in the Middle East. And, it provides the Treasury Department with funding so they can moving expeditiously to freeze the assets of foundations and others that knowingly support Hamas and criminals that seek to derail the peace process through committing terrorist acts. It bolsters these agencies enforcement of Executive Order 12947 which is titled "Prohibiting Transactions with Terrorists Who Threaten

to Disrupt the Middle East Peace Process." It is at least one way that we in the Senate can do something to respond to this emergency.

Mr. President, I urge my colleagues to support this amendment.

AMENDMENT NO. 3478 TO AMENDMENT NO. 3466
(Purpose: To restore funding for, and otherwise ensure the protection of, endangered species of fish and wildlife)

Mr. REID. Mr. President, I send an amendment to the desk on my behalf and that of Senators LAUTENBERG, LIEBERMAN, GRAHAM, BOXER, and MOYNIHAN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Nevada [Mr. REID], for himself, Mr. LAUTENBERG, Mr. LIEBERMAN, Mr. GRAHAM, Mrs. BOXER, and Mr. MOYNIHAN, proposes an amendment numbered 3478.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 75, strike lines 1 through 9.

On page 412, line 23, strike "\$497,670,000" and insert "\$501,420,000".

On page 412, line 24, after "1997," insert the following: "of which \$4,500,000 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533)."

On page 413, strike "1997:" on line 11 and all that follows through line 20 and insert "1997."

On page 461, line 24, strike "\$1,255,005,000" and insert "\$1,251,255,000".

On page 462, line 5, before the colon, insert the following: ", of which not more than \$81,250,000 shall be available for travel expenses".

Mr. REID. Mr. President, what this amendment does say to my colleagues is, do away with, repeal the moratorium that is on listing of endangered species under the Endangered Species Act. I indicated to the Appropriations Committee when it was meeting to discuss this omnibus bill that I would offer this amendment.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. REID. I would be happy to yield to the chairman for a question.

Mr. HATFIELD. Mr. President, I thank the Senator for yielding. I believe, in the previous conversation, the Senator from Nevada indicated he would need 40 minutes for the presentation of his amendment. I have just cleared on our side the additional 40 minutes for the opposition, so that would be a total of 1 hour 20 minutes to be equally divided, or 40 minutes each.

Will the Senator from Nevada agree to that as a time limit?

Mr. REID. Mr. President, since talking to the chairman, I say through the Chair to the chairman, that I have been—if I can have 45 minutes? So I ask the unanimous-consent request be altered to allow 45 minutes on a side.

Mr. LAUTENBERG. I wonder if my friend from Nevada would just respond to an inquiry?

Mr. REID. If I could, just before doing this, and I say to my friend, it is my understanding there will be no second-degree amendments.

The PRESIDING OFFICER. Does the Senator wish to propose a unanimous-consent agreement?

Mr. REID. I would propose that, subject to the question of the Senator from New Jersey.

Mr. LAUTENBERG. My question has nothing to do with the amendment of the Senator. It has to do with some time availability. I understand the Senator needs 40 minutes or some such time?

Mr. REID. Does the Senator wish some time?

Mr. LAUTENBERG. I would appreciate a chance, about 10 minutes, if possible, just to make a statement. If that is acceptable to my friend from Nevada, then I would ask for recognition from the Chair. If not, Mr. President, I suggest the absence of a quorum.

Mr. REID. Mr. President, if the Senator will withdraw the request, I inquire if the Senator from New Jersey wishes 10 minutes of the 45 minutes?

Mr. LAUTENBERG. No, 10 minutes off, on a totally different subject.

Mr. REID. Mr. President, if I could propose a unanimous consent request? Would that be appropriate? I ask unanimous-consent there be 1-½ hours equally divided, no second-degree amendments.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The unanimous-consent request is for 1-½ hours equally divided, with the chairman of the Appropriations Committee controlling half the time and the Senator from Nevada controlling the other half. Does the request also include a provision that no second-degree amendments be in order?

Mr. HATFIELD. Mr. President, I cannot agree to that, relating to the second-degree amendments.

The PRESIDING OFFICER. Objection is heard with regard to the second-degree aspect.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, as I indicated when I stood on the floor of the Appropriations Committee, chaired by the Senator from Oregon, I indicated at that time I would offer this amendment. I am offering the amendment because we have had ample opportunity to understand what the effect is of having a moratorium on the Endangered Species Act.

Mr. President, I am the ranking member on the subcommittee that will reauthorize the Endangered Species Act. I understand the Endangered Species Act and that we need to reauthorize it. I have worked with my friend, the distinguished junior Senator from Idaho, to come up with a bipartisan bill. I do not know if we are going to be

able to do that. But we are going to attempt to reauthorize this bill. Whether it is the bill offered by my friend from Idaho or a bill offered by the Senator from Nevada, we are going to get into reauthorizing the Endangered Species Act. There are some things we need to do, in effect, to modernize the Endangered Species Act.

I doubt there is any Member of this body who has not been contacted by one group or another regarding the moratorium on the Endangered Species Act. Most of us in this body, during the last few days, have been visited by the homebuilders. They are concerned about the Endangered Species Act, as are other special interest groups that come to us on a frequent basis, some in favor of the Endangered Species Act and some opposed to it. But never is there anyone who has come to me and said, "We want to do away with the Endangered Species Act."

There are a great many arguments being tossed about to keep the moratorium in place. I have heard some say that the moratorium would be leverage to get the Endangered Species Act reauthorized. That certainly has not proven to be the case to this point. In fact, I think they are wrong. The moratorium has nothing to do with efforts to reauthorize the Endangered Species Act. We need to reauthorize the Endangered Species Act, and I underline and underscore that. If an Endangered Species Act reform bill comes to the Senate floor, it will be because that is the right thing to do. And it is the right thing to do.

I have heard some want reform and better science procedures in place before we lift the moratorium. That type of argument is backward and it is illogical. We, in this body, on this floor, placed a moratorium on listing further species without a hearing, without any procedures that are normal to this body or the other body. We simply said we are going to have a moratorium. Why? Based on these stories that come from people about what is wrong with the Endangered Species Act.

I had some people come to my office today, and they said they wanted me to be real careful about the Endangered Species Act, be careful if we remove the moratorium because they had heard there was some flower in southern California that had been identified by the Fish and Wildlife Service that caused a reduction of the speed on I-15 to 15 miles an hour because, if they drove faster than that, it would blow the petals off the flower. We hear these stories all the time. They are ridiculous. There is no foundation to them. They are scare tactics.

I repeat, I am in favor of doing something to change the Endangered Species Act. We need to do that. We need more input from the public. We need States to be involved. We need to make sure that someone who has an endangered species on their property has some incentives for coming to the Federal Government and saying, "I found

this endangered species on my land and I want to work with you to do something about it," and they are not, in effect, penalized for telling us. We need to do some of those kinds of things to make the Endangered Species Act more consumer friendly. And we can do that.

But that has nothing to do with this amendment. This amendment, in effect, says that we should remove this careless, illogical moratorium. While we debate the reauthorization of the Endangered Species Act, there are species needing protection, facing greater risks, and threatened and endangered species could be decreasing to irreparable numbers. The science, all the science in the world, is irrelevant if a specie becomes extinct, because extinction is forever.

Not a single plant or animal has been added to the list since April 10, 1995. There might be some people cheering about this, saying, "Good." The fact of the matter is, that is not good. I know there are probably going to be efforts to, what we call in the jargon of the Congress, to second-degree my amendment, the purpose of which would be to say, "Let us have emergency listings." That will give some people, programs, a way to hide, saying they now can have emergency listings.

Of course, I am sure the amendment will be very clear in not providing any money to do this, which is different from the amendment I am offering. This amendment, in effect, would end the counterproductive moratorium in adding new species to the endangered species for both the Fish and Wildlife Service and the National Marine and Fisheries Service. It will also provide sufficient funding for the Fish and Wildlife Service for listing activities for the balance of the year; that is some \$4.5 million. The offset would be \$3.75 million of the Fish and Wildlife travel expenses, and \$750,000 would be reprogrammed within the Fish and Wildlife Service. The National Marine Fisheries Service, with funding of \$1 million, would administer the reprogramming.

The moratorium is poor policy because it does nothing to promote the endangered species reform that we need to go forward on, and it only increases the costs and uncertainty of recovery of species.

The moratorium is a poor piece of legislation that should be removed so that public policy for endangered species can resume with certainty and with stability. The moratorium fails to acknowledge the permanency of extinction and has increased the risk that unlisted species face.

The public has awakened to this agenda in this Congress, which is antienvironmental. The agenda is to undermine the environmental progress made over the past 25 years. The moratorium which passed last year with little public comment, and I should say no public comment and no attention from the environmental community,

was wrong. However, the public understands the implications of this moratorium.

Mr. President, this may not be important to most, but already the League of Conservation Voters has announced its intention to consider the vote on this amendment in its scorecard.

I would like to talk a little bit about why the Endangered Species Act is important and why not listing species is tragic; not only wrong, it is tragic.

There are many examples, but I have picked just a few. The night is late.

In 1992, in Kansas, a bird named the "least tern" had declined from 11 pairs to 1 breeding pair. The restoration on the Cimarron River nesting site reversed the saltwater invasion. Predators were excluded. Following this restoration work, the colony increased to six breeding pairs which now has produced seven young.

Another example is the 11 original trees that remained of the rare Virginia round leaf birch in southwest Virginia. Some people may say, "Well, who cares?" I repeat, extinction is forever.

Due to the listing and recovery work done on this tree to preserve and cultivate the seedlings, the population of the species is now 1,400 trees in 20 different locations. Remember, there were 11 trees when this was listed. Recovery enabled the Fish and Wildlife Service to propose the reclassification from endangered to threatened, and imminent delisting is a viable possibility.

Mr. President, the brown pelican, a bird found mostly in Texas but other places as well, was first listed in 1970. In 1994, we had 125 of these birds that nested at a place called Little Pelican Island in Galveston Bay. It was listed in 1970.

In 1994, for the first time in more than 40 years, we have these brown pelicans nesting and producing more than 90 young. We are probably going to save this bird. I think that is important.

In Nebraska, on the Platte River, the nesting habitat for the endangered migrating whooping crane, sandhill crane, and other waterfowl, has been seriously depleted over the past 20 years. But due to the protection of habitat upon which the birds are dependent, agreements were signed by environmental groups and individual private property owners to clear the vegetation, and now, though the whooping crane is still endangered, progress has been made in recovering population.

Recently, there was a press event celebrating the delisting of the peregrine falcon due to the recovery made in its population.

Even more popular is the success of the American bald eagle. In 1963, because of DDT in the food chain, eagles were caused to lay eggs that were simply too thin to allow hatching. There was a dramatic decline in this very powerful, strong bird, to 417 nesting pairs of this magnificent animal. A ban

on the use of DDT and the protection afforded the eagle by the Endangered Species Act by 1994 increased the population nationwide to just over 4,400 nesting pairs. From a little over 400, we are now to almost 4,500.

The impressive increase in the eagle population caused the Fish and Wildlife Service to propose in 1994 the eagle be reclassified in 43 States from endangered to threatened with even actual removal from the list altogether. The eagle population is strong and increasing at incredible rates, and we may sit back and wonder what all the concern was about when you see these magnificent birds floating around. But if the concern had not been there, if the protection of the Endangered Species Act had not been available, there would be more concern today. There would be no American bald eagles. None.

I have mentioned only a few of the successes, Mr. President, of animals and birds. Why are these and other successes important? I received a letter signed by 38 physicians, scientists and those associated with health care across the community, health care providers, advocating the repeal of the moratorium.

The letter says, among other things:

What is often lost in the debate over species conservation is the value of species to human health.

They continue:

Recent studies have shown that a substantial proportion of the Nation's medicine is derived from plants and other natural resources. The medicines of tomorrow are being discovered today from nature.

In regard to the Endangered Species Act, the physicians continue:

The Endangered Species Act is the best tool we have to protect species, imperiled plants and animals, but the moratorium on the endangered species list has put at risk many species which medical researchers have had no opportunity to explore.

They conclude:

When a species is lost to extinction, we have no idea what potential medical cures are lost along with it.

Why do these 38 physicians talk that way? Fifty percent of prescription medicine sold in the United States contain at least one compound originally derived from a plant. Dr. Thomas Eisner, director of the Cornell Institute of Research and Chemical Ecology, has written:

The chemical treasury of nature is literally disappearing before we have even had a chance to assess it. We cannot afford in years ahead to be deprived of the inventions of nature.

When I was coming back on the airplane yesterday from Nevada, I read an Audubon Society magazine. Someone had given the magazine to me because there was a wonderful article in that magazine about deserts, and, in fact, about the deserts in Nevada, the Great Basin. But what grabbed my attention was not the article on the Great Basin but an article on endangered species and what they had done to preserve human life throughout the world.

Forty percent of medical drugs were first extracted—these are not prescription drugs—first extracted from other life forms. Of the 150 most frequently used pharmaceuticals—now listen to this—of the 150 most frequently used pharmaceuticals, 80 percent come from or were first identified as living organisms.

Digitalis—there are a lot of important heart medicines, but digitalis is right up on the list of the most important. It comes from a plant called the foxglove plant, a lifesaving compound from a plant.

Cyclosporin. In the Democratic conference today, the senior Senator from Illinois asked us to look at some literature that he had dealing with organ transplants. The Senator from Illinois is 68 years old. He asked the people who came in, "Are any of my organs worth transplanting?" They said yes and proceeded to tell him why and how.

He was asking us to sign up to be, at the time of our demise, willing to give our organs for other people. A number of us had already agreed to do that prior to the presentation by the Senator from Illinois.

But the reason I mention his presentation to us today is because cyclosporin, a drug that makes organ transplantation possible, which is an antirejection drug that helps make organ transplants feasible, comes from a fungus.

The Pacific yew tree was once considered a junk tree by the foresters, but chemists have found that one of the tree's chemicals found only in that tree, a thing called taxol, can be used in the fight against ovarian and other cancers. And it works very well.

There is now an endangered mint that is nearly extinct in central Florida. In fact, that mint has been reduced to a few hundred acres. Doctor Eisner, from Cornell, has discovered many potent, useful chemicals in this plant, the utility of which have not been determined totally. He reports that as scientists examine the mint's leaves, they isolated 20 kinds of fungi living inside the leaves. Now, remember, cyclosporin came from a fungus. Remember, it was a mold that allows us to have penicillin.

Ergot, which is a fungus of wheat, provides us the heart medicine to block adrenaline in coronary disease. And it was snake venom from which blood pressure medications were obtained.

Captopril and enalapril are from a poison from a snake. These are life-saving medications to a significant number of our population.

In Nevada, we have a tiny, tiny little fish called a pupfish. That fish is being studied in hopes of finding new treatments for kidney disease.

I have spoken on several occasions, before the committee and on this floor, about childhood leukemia and how they have been able to find a magnificent cure for childhood leukemia from the periwinkle bush plant.

All these examples, Mr. President, should focus us on the question of what

others are we missing by failing to protect them? There are many, many others.

We know that bears and other hibernating animals are being studied for treatment of kidney failure and osteoporosis. It is a remarkable part of nature how these animals can be, in effect, near a state of death, yet their kidneys function well and their bones do not go soft on them.

We have toads that are being researched, specifically a Houston toad which is on the brink of extinction that produces alkaloids that may prevent heart attacks. They also appear to have analgesic properties more powerful than morphine.

We have frogs that were being studied for neurological disease.

Bats are being studied for treatment of heart attacks and strokes because the salivary compounds that prevent blood clotting from these bats have yielded new anticoagulants, more powerful by far than those currently available for the breakdown of blood clots in heart attacks and strokes. These bats are found in very remote places.

Pit vipers for high blood pressure treatments I have already talked about.

Fireflies. The chemicals that cause fireflies to emit light have been used for tuberculosis, leading to faster tuberculosis treatment.

Mr. President, we have already identified another periwinkle bush, not the rosy, but the Madagascar periwinkle. This one is for other forms of cancer.

Mr. President, I have mentioned only a few of the multitude of plants that are now available for scientific study that are going to lead to breakthroughs that will cure people of disease. I think we have to understand what we did last April in shutting down the endangered species list.

You would think that good conscience would force us to come and start talking about why we should get rid of the moratorium. But it has been ignored. We are in this never-never land that we are going to someday reauthorize the Endangered Species Act. When? Well, we are going to do it. We will get around to it.

Mr. President, things have changed a little bit. The Endangered Species Act is not something that is being promoted by the left wing of the body politic. It is being promoted by people from all walks of life, of all political persuasions, including some evangelical and political organizations asking that we protect the species that have been placed on this Earth.

These religious people ask that we utilize our stewardship wisely and remove the moratorium from the listing process. We are doing nothing with this moratorium for the benefit of anyone. I defy anyone to tell me that there are people—organizations; I will not say people—there are organizations that support the elimination of the Endangered Species Act. I have not found any. No one has come to me and said

we want to do away with the Endangered Species Act.

What some people have come and said is that they want some certainty in the process. The moratorium, though, Mr. President, increases the uncertainty because of the backlog that is now occurring.

What we are going to hear are efforts to say, well, what we are going to do is we are going to allow emergency listings. During the time we have had the Endangered Species Act in effect, there have been very, very few emergency listings. Listings need to take place in an orderly, scientific process and procedure. That is what we need to do.

We need to reform the Endangered Species Act. We need to make sure, as I have said before, that there is more State and non-Federal party involvement in the process. We need to have peer review and short, objective science. We need workers to work with landowners and have a short-form conservation plan. We need safe harbor for landowners who have agreed to implement conservation measures.

We also need voluntary conservation agreements and recovery teams that make the recovery of species a practical and a cooperative effort between the many interested parties.

This is what happened, for example, Mr. President, in Clark County where a species that was listed was the desert tortoise. It was difficult, but now, that is being used as a model in other parts of our country.

I urge my colleagues to recognize the need for substantive reform of the Endangered Species Act, to understand the devastating effect of this moratorium, to support an immediate repeal of this devastating moratorium and provide sufficient funding.

Remember, we, Mr. President, want to end the counterproductive moratorium in adding new species. We will provide sufficient funding to allow that to take place until the end of this year. The moratorium is poor policy because it does nothing to promote the Endangered Species Act reform that needs to take place. The moratorium is a poor piece of legislation that should be removed so that the public policy toward endangered species can resume with certainty and with stability. The moratorium fails to acknowledge the permanency of extinction and has increased the risk that unlisted species face.

So I ask my colleagues to not fall for some face-saving second-degree amendment that will say we are going to allow emergency listing. Remember, we need to do it in a way that is safe and sound and certainly one that is scientific. Doing something that is rarely done, that is, emergency listing, will not do the trick.

The PRESIDING OFFICER. Has the Senator from Nevada completed his statement?

Mr. REID. I yield the floor.

Mrs. HUTCHISON. Mr. President, I am willing to yield to the Senator from Montana for some period of time.

Mr. BAUCUS. Mr. President, I very much appreciate the very gracious Senator from Texas—5 or 6 minutes would be appropriate.

Mrs. HUTCHISON. I will yield that to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 6 minutes.

Mr. BAUCUS. I thank the Senator from Texas.

Mr. President, I rise in support of the amendment to lift the moratorium on the listing of threatened and endangered species under the Endangered Species Act.

Senator REID, who is the ranking member of our Endangered Species Subcommittee, has described why the moratorium is bad policy. I agree with him.

And I would like to emphasize one particular point. The moratorium makes a bad situation worse.

In Montana, the Endangered Species Act is not an abstraction. It affects people's daily lives. Loggers are concerned about restrictions that apply in grizzly country. Ranchers are concerned about wolves.

At the same time, average folks all across Montana believe, deep down, that Montana's wildlands, and wildlife, are an irreplaceable part of what makes Montana the Last Best Place. So people have strong feelings, and different perspectives. But one thing is clear to everyone. The Endangered Species Act is not working as well as it should. It is driving people apart rather than bringing them together. It is a situation that must be remedied.

So what does the moratorium do to improve the situation? Nothing. In fact, it makes things worse.

A moratorium on listings is a makeshift, stopgap measure. Once it expires, listing will resume, and farmers, ranchers and homeowners will face the same restrictions under the act that they face today.

In the meantime, species that would otherwise be afforded protection under the act continue to decline. For those species that survive, recovery may be much more difficult and expensive, imposing additional and unnecessary burdens on private landowners.

Is there a better approach? Yes, I believe there is. It may not be as simple as moratorium. It may not make as good a slogan. But, in the long run, it is the only way to really improve the Endangered Species Act.

What is it? Sitting down, listening to one another, and trying to resolve our differences in good faith.

Let me give you an example. During the last Congress, I introduced a bill to reform the Endangered Species Act. To improve the listing process. To involve the States more. To encourage more cooperation with landowners.

It was a good bill and it had the endorsement of the western Governors of our country, the endorsement of the environmental community, and we had several hearings on it here in Wash-

ington. We also had a hearing on the bill in Ronan, MT.

Now, as some of you may know, Ronan is in western Montana, south of Flathead Lake, in the heart of grizzly country. We had the hearing in July, on a Saturday, at the local high school. It was packed.

Hundreds of people attended. And more than 70 testified. Some represented groups like the Stockgrowers, the Mining Association, and the Sierra Club. Others were there because of their deep personal interest in this legislation.

The hearing started out a little tense. But by the time it ended 7 hours later, there was a sense that we agreed more than we disagreed. That we could get beyond politics and find ways to work together. That we could have a strong Endangered Species Act and a strong economy.

When it comes to the reauthorization of the Endangered Species Act, we need the same kind of an approach.

In fact, some of the people involved in that hearing have established the Montana Endangered Species Act Reauthorization Committee. It includes Democrats and Republicans, loggers and environmentalists.

They, too, have come together—not in support of a moratorium, but in support of commonsense reforms that will protect wildlife while improving the practical operation of the Endangered Species Act.

I suggest that we take the same approach here, that we get beyond the slogans and the politics, that we lift the moratorium, and that we concentrate on what the people back home sent us here to do—that is, to work together to resolve differences and solve problems.

I know the Senator from Idaho is going to engage in that effort on the subcommittee. Mr. President, on the Safe Drinking Water Act, he worked diligently to get groups together. There was not a lot of politicking and sloganeering going on, or headline grabbing. He did a great job in helping to get groups together in a commonsense way. It is the same approach we must take in the Endangered Species Act, not engage in sloganeering, which tends to cause more problems than solve problems.

I thank the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, last year, Congress put a hold on listing of endangered species and the designation of critical habitat that went along with that to give us time to reauthorize the Endangered Species Act. We called a timeout on new listings so we could reexamine a 20-year-old law without the pressure of new listing decisions.

Authorization for appropriations ended on September 30, 1992—3½ years ago. Mr. President, we have been operating without an authorization for this act, and that is because so many things

have been done that are far beyond the bounds of common sense. The moratorium was to give us the timeout so that we would be able to put listings on under the new reauthorization, to pass without opposition in the House of Representatives, and with 60 votes here in the Senate—a clear mandate to say, wait a minute, let us stop doing things that do not make sense under a law that is not reauthorized, and let us talk about what we ought to be doing to protect the endangered species of our country. But let us do it without taking private property rights and without hurting jobs, without hurting the economy in this country. We can do both. We can have a positive solution.

But, Mr. President, there are 239 species that are ready to be listed. In fact, we have tried to work with the other side to make sure that the listings could be prepared and that the funding was there to prepare the listings along the way. We have done that in good faith. We did not think that someone would come up and try to use the fact that we had, in good faith, allowed the Department to continue to do all of the preliminary listing procedures, and then spring 239 species that could cause untold economic damage on States all over our country.

No, we acted in good faith. We believed that the right thing to do was to have a moratorium until we have a reauthorization so that we can then list, taking into account some of the new measures that we hope to have that will encourage conservation, that will encourage the endangered species protection, through voluntary means, or other incentives. Those are the things that are not allowed today but will be allowed under the reauthorization.

We are not putting potentially endangered species at risk. The ones that are an emergency could be listed today. In fact, one of the things that we want to do is make sure that an emergency listing would be available. But, in fact, Mr. President, we are going to debate tonight—as I understand it, we do not have a time agreement at this point, but we are going to debate the merits of lifting the moratorium prematurely. That is really the issue here.

We have agreed on two occasions in this body, and on the House side, that we should not act precipitously. Now, all of a sudden, the same people who are fighting the reauthorization are now saying to lift the moratorium. I really do not think that it is the way we should do business here. I think we have been acting in good faith. We have done the things that we have been asked to do to try to take that timeout, so that when we have a reauthorized act we can come back in and make sure that the species that are scientifically designated as endangered will, in fact, be protected. That is what all of us want.

If we free those species—the 239 that we have allowed to be prepared to be listed when, in fact, they are being prepared under the old act—I think we

will do a lot of harm to many States—my State, the State of California, Arizona, and many States across this country are going to have significant economic impact if we do this. Mr. President, it is not necessary. There is no reason to act precipitously on this omnibus bill that we are trying to get through. We are trying to fund Government until the end of this fiscal year.

Mr. President, there is no reason to put something on that is so extraneous, that causes this kind of debate right at a time when we are trying to work with the other side to come up with an agreement that will fund Government until the end of this fiscal year so that we can start turning toward the next fiscal year, which is going to take our time.

Mr. President, I think this is the wrong thing at the wrong time. This is like saying we have this modern, new automobile but we are going to put Model T parts in it because that is what we have on hand. Let us not do that. That is not the way to do business.

I am going to speak on this issue again. But, Mr. President, I want to lay the groundwork for what I think is a terrible injustice. I think it is breaking a gentleman's agreement that we had that we would work together for reauthorization because I assumed that was everyone's goal. But to have a lifting of the moratorium before the reauthorization comes, I think, is the wrong thing to do for our country, for the private property owners in our country, for the small business people in our country, and for the working people who could lose their jobs if this happens. This is not right, and I hope the Members will turn it back. I hope the Members will do the right thing and let us proceed with Senator KEMPTHORNE to reauthorize in a judicious way.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, there have been several references to people resisting the reauthorization of the Endangered Species Act. I do not know who the references are to. But it certainly is clear that if this moratorium is extended, the pressure to reauthorize the Endangered Species Act is reduced. The best way to get the Endangered Species Act reauthorized is to get rid of this moratorium and have everybody concentrate their energies on the reauthorization. Certainly, as far as I am concerned, those on the committee—and certainly the subcommittee headed by the Senator from Idaho—have been working to get this act reauthorized. So, I for one have seen no resistance to the reauthorization of the act from any individual that I know.

Let us just review the bidding, if we might. When President Nixon signed the Endangered Species Act in 1973, this is what he said:

Nothing is more priceless or more worthy of preservation than the rich array of animal life with which our country has been blessed.

It is a many faceted treasure for valued scholars, scientists, and nature lovers alike, and it forms a vital part of the heritage we share as all Americans. I congratulate Congress for taking this important step toward protecting a heritage which we hold in trust to countless future generations of our fellow citizens.

That is what President Nixon said when he signed the Endangered Species Act in 1973. The importance of America's natural heritage is exactly what we are debating here today—whether as a Nation we should conserve those plants, species, and animals which we know to be threatened with extinction, or whether we should knowingly choose not to protect those imperiled species.

I support Senator REID's amendment to strike the provisions which would impose a moratorium on adding new species to the threatened and endangered list. A blanket moratorium on listing new species undercuts the goals of the Endangered Species Act and undermines our Nation's strong bipartisan—I stress bipartisan—history of conservation. This is not a Republican measure. This is not a Democratic measure. The efforts to preserve the endangered species of America has been a bipartisan effort, signed, as I pointed out, by President Nixon in 1973 and passed by a Democratic Congress at that time.

Let me take a moment, if I might, to speak about the broader issue that led me to support an effective law to protect endangered species. I share the belief of many across our land that each species is intrinsically valuable whether or not it is of obvious use to mankind.

I note that when Noah led the animals into the ark, he included all species. If I could quote, "One pair male and female of all beasts, clean and unclean, of birds and everything that crawls on the ground." And God did not direct him to select only the most beautiful animals or those plants that might have some particular use to mankind and perhaps to help him to cure cancer, whatever it might be. Noah saved all creatures.

One great strength of the Endangered Species Act is that it does not just single out the bald eagle, or the bison, or the California whale, or whatever it might be—some majestic symbol such as the grizzly bear. It protects every endangered species and its essential habitat—and I stress the habitat—simply because it is threatened with extinction. Despite all the advantages of modern science, we really do not understand the implications, the chain reaction that will be set in motion when a given species vanishes. So, we should do all we can to avoid taking such a chance.

Since last April, a moratorium has been in place on adding any new species to the threatened and endangered list maintained by the Fish and Wildlife Service. Listen to this. Since last April a moratorium has been in place on adding any new species to the

threatened and endangered list, and for the past 5 months the Service has had no funding to carry out any new listing activities. As a result, species in need are not protected by the law. They are piling up on the proposed candidate list. There are no new listings of endangered or threatened. The Service can put those on the proposed and candidate list but not the threatened or the endangered list.

Under the regular process established under the Endangered Species Act, species are added to the endangered and threatened list by the Secretary of the Interior based upon the best scientific knowledge available. This takes years and involves several stages of review. It is not done haphazardly. It takes public notice, comment, and hearings, if requested, and, once listed, the Federal Government is committed to conserve these species, and they are subject to the protections of the act; that is, if they are listed as threatened or endangered.

Currently, the Fish and Wildlife Service has 243 species, 196 of which are plants proposed for listing under the Endangered Species Act. Proposed species have been subject to a full scientific review and considered to be at risk so as to require the protections of the act. There are 182 species on the Fish and Wildlife Service list of candidates. That is species thought to warrant protection for which the Service has not yet had the resources to conduct a full review. Neither the proposed nor the candidate species are subject to the protections of the Endangered Species Act.

In other words, all that is taking place now, there is no protection out there for those that are proposed or candidate. If they are already on the list and endangered, and they have been so listed in the past, that is OK. But they are discovering new species that are proposed and candidates but they are not subject to any of the protections of the Endangered Species Act. In other words, proposed and candidate species—let us take plants for example—can be ripped up, hunted, and sold, or the animals can still be hunted. In other words, what we are doing is taking those that once upon a time seemed in pretty good shape, but they were proposed, or candidates, and now they are becoming more and more endangered because there is no protection of them.

That is no way to do business. Why should we care that species that are in danger of extinction are left unprotected and are piling up on these lists of proposed and candidates? The reasons are practical as well as ethical. Failure to recognize and address the risk to imperiled species and doing something about them now will make it much more difficult and more expensive to conserve in the future. For one thing, destruction of habitat that is essential for the survival of the proposed and candidate species can proceed unchanged.

In other words, yes, they are potentially in danger, but you cannot do anything about it. You cannot do anything about their habitat preservation.

Thus, a prolonged moratorium on listing is likely to cause further declines in the status of those species that are precluded from the protections of the Endangered Species Act. The moratorium may eliminate conservation options that are available now. In other words, the longer the moratorium goes on, the less chance there is to come up with a variety of options to save these endangered species. You cannot do anything about them.

Each month the moratorium drags on increases the size of the backlog of work for the biologists at the Fish and Wildlife Service. This backlog and the lack of funding for listing activities such as research and monitoring will lead inevitably to further delays and inefficiencies down the road. Most importantly, it seems to me, Mr. President, by refusing to protect these species, we fail to live up to our moral obligation to act as good stewards.

Mr. President, the Endangered Species Act is far from perfect. It can and should be improved. And with respect to private property rights, the act should include more carrots and fewer sticks—more inducements and fewer prohibitions. We recognize that. But we are not going to solve the problems of the Endangered Species Act by ignoring species that we know are in grave danger.

That is no way to solve the problem. The problems with the current Endangered Species Act are not solved by cutting off funds that are necessary for Fish and Wildlife to carry out its responsibilities.

The problems with the current Endangered Species Act should be addressed through the normal authorization process, and that is what we are trying to do.

I pay tribute to the chairman of the particular subcommittee in the Environment and Public Works Committee, the junior Senator from Idaho, for the hearings he has held and attempts he is making to reauthorize this act. It is no easy job. We have had six hearings, three of them in the West, on the reauthorization of the act. We have heard from 100 witnesses, and many of them have come up with good proposals. These hearings, as I say, ably chaired by the junior Senator from Idaho, were constructive and form the basis for continuing discussions.

So we are meeting, the staffs and members of the committee are meeting regularly, working on legislation to reform the law. Certainly, my best efforts will be put toward supporting a responsible Endangered Species Act this year, and I look forward to working with all Senators to complete successfully that important task.

However, I do not believe that the moratorium provisions contained in this appropriations bill constitute a responsible step toward completion of

the reauthorization process. Enactment of the reauthorization is not going to be easy. We know that through these meetings and hearings that we have had. The only way it is going to come about is if Senators are willing to back away from fixed positions and inform their constituents that their constituents are not going to get everything each one wants, either the environmentalists, the lumbermen, or whoever it might be. So Senator KEMPTHORNE, Senator BAUCUS, Senator REID, and I are working together striving to reach a consensus on legislation to improve the act. Our staffs are meeting, and we believe we are making good progress.

So, again, I wish to make it clear that I am in favor of passing legislation to improve the act. And I seek to report a bill from the committee this spring. But I believe a moratorium on adding new species to the threatened and endangered list is just plain wrong. A moratorium causes new problems and compounds the difficulties we are facing. It does not make it easier. It makes it more difficult. Meanwhile, the protections are not there that should be there, the protections of the flora and fauna, the animals involved, and also their habitat that should be theirs.

So, Mr. President, I hope the Reid amendment will be adopted.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, before the chairman of the committee leaves, I wish to extend to him my appreciation for the work he has done as chairman of the committee, and especially the guidance and, in effect, free hand he has given the chairman of the subcommittee, the junior Senator from Idaho, and myself to work on reauthorizing this legislation.

As the chairman has pointed out, it is difficult legislation. We have been working hard on this. Our staffs have had numerous meetings not once every quarter, once every month, but numerous times. We have come a long way toward each other's position. As I mentioned in my opening statement, it is not unthinkable that we could come up with an agreement on reauthorization of the Endangered Species Act. So I appreciate the statement of the chairman. I appreciate the support of this amendment.

Also, Mr. President, I underline and underscore what the full committee chairman has said. This amendment should not be approached on a partisan basis. For instance, as important and as successful as it has been, Democrats cannot take all the credit for passing the Clean Water Act. One President who did a great deal for environmental matters in this country was President Nixon. Some of the most influential environmental legislators we have had this century have been Republicans.

So I hope that my friends on the other side of the aisle will approach

this matter with an open mind because all we are trying to do is remove this moratorium. We talk about emergency listing. Mr. President, it is used very rarely—only in imminent risk of a species being wiped out. We need, before we list species, to have good science, and this is not the way to go. This is not good science.

The emergency listing does nothing for the vast majority of 243 species that are already proposed for listing, let alone 182 candidate species. In the meantime, these species continue to decline. The emergency listing exception to the moratorium is a Band-Aid approach, Mr. President, largely a cosmetic solution to a very real problem. And there is no better example of that than what has happened with the spotted owl. The longer you wait to list, the more difficult and complicated the problem becomes.

So, Mr. President, I know there are many others on the floor who wish to speak. It is late at night. I understand there will be an offer of an agreement that will allow the Senator from Texas and the Senator from Nevada in the morning to close the debate. With that in mind, I will yield the floor.

Mr. EXON. Will the Senator yield for a question before he yields the floor?

Mr. REID. I will be happy to yield to the Senator.

Mr. EXON. Let me see if I understand the amendment the Senator is offering. As I understand it, the situation we are now confronted with is that the continuing resolutions that have been offered, the series of them and potentially more, in each and every instance the funding mechanism has been tied to a caveat that no new Endangered Species Act may be placed in force. In other words, there is a prohibition from changing or adding to the endangered species list, period, as we face the situation right now. Is that correct?

Mr. REID. The Senator is absolutely correct. Not only was there a moratorium back in April of last year offered and passed, but in addition to that, each time we come up with a continuing resolution there is no additional funding placed, so that the Fish and Wildlife Service and the National Marine Fisheries Service simply are without any funds to list anything. So we have two problems: One is no money and a moratorium on further listing.

Mr. EXON. I was able to hear only the tail end of the remarks made by the chairman of the committee. I hope something could be worked out.

I have some concerns that the EPA and the Fish and Wildlife Service are so restricted now that they could not put something on the list that was really endangered. On the other hand, I happen to feel that the bureaucracy in this area has gone overboard in some areas, by the number of species that they have placed on this list. If the amendment offered by the Senator from Nevada becomes law, would that open up the situation to where the Federal bureaucracy, who has the responsibility for doing the scientific research,

supposedly, and then making a determination as to what species should go on the endangered list—would they be free and clear to proceed with the investigation and the identification of endangered species exactly the way they were before the prohibition was put into the law on the continuing number of continuing resolutions?

Mr. REID. I respond to my friend, we have talked about this. I am happy to, again, address this.

As the chairman of the full committee and I feel, the moratorium has been very detrimental to scientific listing of plants and animals. During the period of time this moratorium has been in effect, the Senator from Nevada and the junior Senator from Idaho have been working on a reauthorization of the Endangered Species Act. I acknowledge that we need to reauthorize the Endangered Species Act and make some changes in it. We need more public input. We need more involvement of the State governments that simply are not allowed in the act anymore. We need peer review. We need better science in listing these species. And there are a number of other proposals that I think—I do not think, I know the Senator from Idaho, as chairman of the subcommittee, and I want to put into a bill for reauthorization. What the moratorium has done, as far as this Senator is concerned, is it has prevented us from going forward on reauthorization, because there are some who simply want no further listing.

As I mentioned just a short time ago, I say to the Senator from Nebraska, when the moratorium went into effect we had 182 candidate species, and in addition to that we had 243 species already listed with which we have not been able to go forward. I spent a good part of the debate earlier this afternoon talking about how, really, that is not helpful to us.

I say to my colleague, 80 percent of the prescription drugs that the American public goes to a drugstore to get have in them elements taken from plants. I read a series of statements from physicians saying, "You cannot stop now. You have some of these listed. By the time you get around to listing some others they are going to be gone." I also say to my friend, although recognizing the Endangered Species Act as it is written needs changing, we cannot, while we are trying to make the act better, let these species become extinct. And it is not a left-wing cabal that is pushing getting rid of this moratorium. There is a group of Evangelical Christians who are saying, "You cannot do this. You have to support the listing of these endangered species. Because once they are gone they are gone."

So I say to my friend from Nebraska, I recognize that the Endangered Species Act has some problems, but we are trying to correct that. The junior Senator from Idaho and the Senator from Nevada have been working to come up with a bill that we hope to get out on

the floor this session, I hope. But in the meantime we cannot let all these species that are becoming extinct become extinct.

Mr. EXON. I am not a member of the committee so I am not fully informed on all of these issues. I appreciate very much the explanation that is being given by my friend from Nevada.

Under the system that we have always had with regard to the identification of endangered species, as I understand it, it was that the agency of jurisdiction would do scientific research which they would manage and direct to determine whether something was really endangered or not, or to what degree it was endangered.

But after the agency of jurisdiction makes that determination, then do they have, under the law, authority, as part of the bureaucracy, to say, All right, that plant or that animal or that fish is an endangered species, and we so designate it as an endangered species and that is it?

Mr. REID. Well, yes, I guess in short term that is it. One of the things we need to work on, and we are working on in the reauthorization of this bill, is to allow better science and to allow more than just the Federal agencies to have some voice in whether or not a species is threatened.

Mr. EXON. How do you propose to do that?

Mr. REID. We are going to do that in a number of different ways. We are going to allow better peer review, that is more scientific input, and also allow State and/or local government some input into whether or not the listing should take place.

Mr. EXON. But the final decision still rests with the agency of jurisdiction?

Mr. REID. The final decision would rest with the agency of jurisdiction. However, I think under the proposal of the Senator from Idaho and myself, prior to arriving at that point there would be a much more deliberative process than there is now.

Mr. EXON. Has the Senator ever considered the possibility of having these people proceed as they have with the identification of an endangered species, and then, before we added more species to that list, it be voted on by the Congress of the United States?

Mr. REID. There has been consideration given to that. But, I would say to my friend from Nebraska, that I think, as I have indicated, we now have 243 species that have already been listed and we have 182 candidate species. I do not really think that should be the role of Congress, to vote on each of those.

We could spend a lot of time that should be spent in the agencies of government, both Federal and State. Of all of the numerous special interest groups I have listened to—homebuilders and contractors, labor unions, environmental groups—I do not think anyone has suggested we should vote on each one of those. I think they all suggest that the process should be more delib-

erative in nature and allow more input from the private sector, not because the Federal agencies have done anything wrong in listing the endangered species, but the purpose is to allow State governments and the local entities to feel better about the listing, so they understand it better.

To this point it has all been done by the Federal Government and there has not been enough input from State and local governments. So, I would say to my friend, I think the main thing we have to take into consideration is there probably have been some listings that have been wrong, although I do not know of any. But I think the problem is—take, for example, in Nevada. We have, surprisingly enough, word that we are the fourth highest State in the whole Nation for endangered species. It is surprising to some people because we are an arid State. But one that caused a lot of attention was the desert tortoise in southern Nevada. It literally brought construction in rapidly growing Las Vegas to a standstill until we worked it out.

I do not think, in hindsight, there was anything wrong in listing the desert tortoise. But State and local governments should have had more input in that listing, rather than having it just given to us all at one time, and that is what we are trying to do in the reauthorization.

Mr. EXON. I agree with my friend. I am not sure with how much I disagree, though. I generally have been supportive of all the agencies that have something to do with this matter. I think the environment is very, very important. I do, though, think maybe sometimes we, here in the Congress, give too much authority to the bureaucracy to make determinations. At one time—I do not know whether it is by the boards or not, now—but they talked about putting the rattlesnake on the endangered species list. Those of us who have been born and raised and been around rattlesnakes, we really do not believe they are endangered now, and I do not believe they are.

But it seems to me at least maybe we should consider—not that we can take the time to go through each and every one of these things, but certainly, possibly, we should at least consider the possibility, when something is put on the endangered species list, whether it is one species or 100 species, at one time, maybe the bureaucracy should have to make a better case to the people's representatives here, to say yes or no, rather than, *carte blanche*, giving them the authority after the input that you say should be improved with regard to State and local governments.

I am just saying that I have some concerns. I think this whole matter of endangered species has been overstated, and yet, I must say to my friend, I congratulate him for bringing this up, because when we have a situation today when we cannot add on anything, even though they are critically endangered, it is a concern to me.

Mr. REID. I respond to my friend, we not only have a danger of the listing, but to this Senator a real concern about not listing. If we wait too long—and that is what we are doing in this instance. I indicated we have 243 that are waiting to be listed. We need to proceed. Not listing is a concern.

I also say to my friend from Nebraska, in a Nickles-REID amendment that was adopted by this body 100 to 0 last year, which was an amendment to the Comprehensive Regulatory Reform Act which we received from the House of Representatives, we said that if there is a regulation promulgated by a Federal Agency that has a certain financial impact, we in Congress would have 45 days to look at that, and if we did not like it, we could rescind it legislatively. That is, I am quite certain, going to come back when we do regulation reform in the next few days.

So under that proposal, if something happened like listing an endangered species in Las Vegas that certainly had a financial impact on the level Senator NICKLES and I talked about, in that instance, we would have had the ability in Congress, if the action had been grievous enough, to rescind the action of the Fish and Wildlife Service.

Mr. EXON. To use an example, and then I will yield the floor, if the controlling agency would declare the rattlesnake an endangered species, we in the Congress could override that under what you have in place?

Mr. REID. Under the Nickles-REID amendment, if the financial impact is such, as they were told it was in southern Nevada, if there is no financial impact, we continue. But if there is a financial impact, this Congress would have a right because that is a regulation and rule promulgated by the Fish and Wildlife Service.

Mr. EXON. I thank my friend for answering my questions. I have some concerns on both sides of the issue. Mr. President, I thank him very much. I yield the floor.

Mr. REID. I say, as usual, my friend from Nebraska asked piercing questions, and during his entire time in the Senate he has always been on top of the issues. I appreciate the questions.

Mr. President, I ask unanimous consent that Senator AKAKA be added as a cosponsor to this amendment.

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

Mr. LIEBERMAN. Mr. President, I believe this Congress erred last year when it allowed passage of a moratorium on new listings of endangered species, and new designations of critical habitat. This action did nothing to reduce the decline of wild plants and animals in our Nation, and across the world. If anything, the need to prevent their loss has grown, as God's creatures continue to lose a growing war against them. The moratorium did nothing to reduce the complications or costs of protecting them. In all likelihood, it has only made it more difficult as valuable time, and preferable management

options, have been lost. The moratorium provided no funds to stimulate new approaches for conservation. It provided no financial incentives for private landowners. It did nothing to streamline listing procedures or tighten the quality of scientific determinations of species' risk. Instead, it built a false hope that somehow these problems would simply go away if we tried to put them away.

It is understandable that nature does not heed man's advice. But it is unfortunate that we fail to heed nature's advice when it is so plain. Wild plants and animals are declining at rates thousands of times faster today than ever before in the fossil record. It is no coincidence that man's population, our thirst for natural resources, and our environmental problems, have grown just as fast in the opposite direction. Our ability to intelligently and effectively manage our resources has not kept pace with our ability, or desire, to use them. That is why we developed an Endangered Species Act and other laws for the conservation of wild plants and animals, and the basic natural resources upon which both they, and we, depend. We must do a better job of managing all natural resources for the complete spectrum of human needs they satisfy, and all of the values they provide. Man cannot live by bread alone.

There are many arguments pro and con about the effectiveness of the ESA. Some say our success rate at saving species is too low to be worth the effort. Others say that it is too little, too late. For sure, the odds are against us when we let problems get so far out of hand. So it is a great credit to everyone involved in recovery of endangered species that we have so many great success stories like the peregrine falcon, bald eagle, and Pacific yew tree. But I say that the single most important measure of success for the ESA is whether it has really made us better stewards of our resources.

Without a doubt it has. Federal and State agencies pursue multiple use goals and conflict resolution with far greater expertise than they otherwise might. Some very bad government projects have been scrapped or modified over the years. Private conservation efforts are far more sophisticated and widespread. Other nations look more carefully at their actions. Science has pushed farther and wider to understand the causes of species decline, as well as the cures. Because of our concern about other creatures we have learned more about saving ourselves and leading better, more sustainable lives than we could ever have hoped all alone. Perhaps that is one reason God put them here with us. Perhaps our journey should not be alone.

I recognize that stewardship comes with sacrifice. And I recognize that it can be misdirected at times. I support reforms to the ESA that ensure that the sacrifices involved are reasonable, supportable, and specifically targeted

toward the prevention of species' decline, or their recovery. While the ESA moratorium has done virtually nothing to further progress in these areas, we are fortunate to have an administration that has been busy nonetheless.

In this past year the Secretary of the Interior has implemented a broad series of administrative reforms to the ESA, including listing procedures for endangered species, that go a long way toward solving problems that may have existed with it. This reform plan includes stronger peer review of listings to ensure good science; a safe harbor policy for landowners creating new habitat; speedy habitat conservation plans and negotiated regional habitat protection approaches; greater State and local involvement in recovery planning; and recommendations for new positive incentives for landowners. In addition, the list of so called "candidate species" has been updated after careful scientific peer review. The procedure for listing candidates has been changed so that only those species meeting a higher standard of scientific information are included.

Last April when Congress added the ESA moratorium to the Defense supplemental appropriations bill it singled out the ESA, and inaccurately portrayed it as the cause of many of our Nation's economic woes. For the past year our economy has been no significantly different than it would have without this moratorium. Today we can set the record straight by ending this moratorium and providing an appropriate level of funds to get the law working again.

More than a century ago Sir Arthur Conan Doyle, author of the famous Sherlock Holmes mysteries, wrote: "so often those who try to rise above nature are condemned to fall beneath it." Let's not make that mistake with the ESA by suggesting that a blind eye sees a brighter future. Let's get back on track with the implementation of the ESA with its new reforms, and resolve not to waste any more time. For many creatures, time is running out.

Mr. CRAIG. Mr. President, authorization of the Endangered Species Act expired nearly 4 years ago on September 30, 1992. Since then, Congress has kept the law alive by feeding it new appropriations each year. Funding without authorization is not the way to enact policy, especially one with such a high profile and one which produces such profound effects on our environment and our economy.

I have been to the floor numerous times in those 4 years to recount serious problems with the law as it is being administered.

It is far too costly; \$500 million per year is being spent on Snake River salmon alone. No economic common-sense is being applied—or required—under the current law.

The section 7 consultation process is out of control. Dozens of projects have

been delayed past the point of economic viability while waiting for concurrence from the National Marine Fisheries Service.

One year ago, a complete shutdown of all multiple use activities on 6 Idaho national forests nearly became a reality because of confusion over section 7.

Even today, the Forest Service is proposing to shut down guided rafting trips on the Salmon River to protect spawning salmon. But they are proposing to stop rafting at times of the year when there are no fish in the river. None of this makes any sense, and it unnecessarily angers people, but that is the way the law is being applied.

The law makes enemies of private landowners because of the regulation and fear it engenders. You don't build cooperation for endangered species by taking a person's rights or their land.

Despite the obvious need to reauthorize the ESA, reform legislation has been locked in the Senate Environment and Public Works Committee year after year.

My patience has run out. The authorizing committee must generate action on the two reform bills which have sat in committee for months—Senator GORTON's S. 768 and Senator KEMPTHORNE's S. 1364. I am a cosponsor of both bills.

Until we turn seriously to the matter of reauthorization, I will continue to support the moratorium on new listings and designations of critical habitat.

The people of Idaho and the Nation continue to believe that conserving fish and wildlife species for the enjoyment of future generations is still the right thing to do. They want to make changes to the law, but don't want to see the Endangered Species Act eliminated.

Senator KEMPTHORNE's bill walks that line by: using incentives on private lands, not regulations; granting States a greater role; offering realistic conservation alternatives; and requiring that priorities be set and costs controlled.

The committee has been ignoring these good ideas. They are covering their eyes and pretending that no significant problems exist while holding ESA reauthorization at bay.

I am confident we can reform the law in a way which will win the confidence of the American public. We must give it a try. I challenge the committee to move toward open debate and consideration of reform legislation.

Until that happens, I will support the moratorium.

AMENDMENT NO. 3479 TO AMENDMENT NO. 3478

Mrs. HUTCHISON. Mr. President, I offer an amendment to the Reid amendment. I send it to the desk and ask for its immediate consideration. This is a Hutchison-Kemphthorne amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself and Mr. KEMPTHORNE, proposes an amendment numbered 3479 to amendment No. 3478.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

In the language proposed to be stricken, on page 75 insert the following: "Provided further, That no monies appropriated under this Act or any other law shall be used by the Secretary of Commerce to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act."

On page 412, line 23, strike "\$497,670,000" and insert "\$497,670,001".

On page 412, line 24, after "1997," insert the following: "of which \$750,001 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533)."

In the language proposed to be stricken, strike all after the word 1997 on page 413, line 11, through the word Act on page 413, line 20, and insert the following: "Provided further, That no monies appropriated under this Act or any other law shall be used by the Secretary of the Interior to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act."

On page 461, line 24, strike "\$1,255,005,000" and insert "\$1,255,004,999".

On page 462, line 5, before the colon, insert the following: "of which not more than \$81,349,999 is available for travel expenses".

UNANIMOUS-CONSENT AGREEMENT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Senate resume consideration of the Hutchison-Kemphthorne amendment to the Reid amendment at 9:30 a.m. on Wednesday, March 13, after the Members who are here have had a chance to debate, of course; that there be 30 minutes of debate equally divided between Senators HUTCHISON and REID; further, that immediately following that debate, the amendments be temporarily set aside; that immediately following the cloture vote at 2 o'clock p.m., Senator REID be recognized to make a motion to table the Hutchison amendment; further, if the Hutchison amendment is not tabled, the Senate proceed to a vote on the amendment without

intervening action, to be followed immediately by a vote on the Reid amendment, as amended, if amended.

The PRESIDING OFFICER. Is there objection?

Mr. CHAFEE. Mr. President, I do not intend to object, but I want to ask one question, if I might. If I understood the proposal correctly, there will be adequate time this evening for further discussion. So the Senator is not cutting things off right now, as I understand it?

Mrs. HUTCHISON. That is correct, Mr. President. The floor will be open for debate unlimited tonight, but this will take effect after the debate has finished tonight, and it will be the procedural order.

Mr. CHAFEE. Mr. President, I thank the Senator.

Mr. REID. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. There is no reservation of the right to object. The Senator is recognized for an inquiry.

Mr. REID. Mr. President, just so I understand the unanimous-consent request, there will be 15 minutes controlled by the Senator from Nevada and 15 minutes controlled by the Senators from Idaho and Texas in the morning?

Mrs. HUTCHISON. That is correct, Mr. President.

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

The Senator from Texas is recognized.

ORDER OF PROCEDURE

Mrs. HUTCHISON. Mr. President, I announce, on behalf of the leader, that there will be no further votes tonight, and that the votes will occur as described in the previous order.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Idaho is recognized.

Mr. KEMPTHORNE. Mr. President, let me acknowledge the chairman of the Environment and Public Works Committee, Senator CHAFEE, who spoke just a few moments ago. He referenced the hearings that we held around the country. I want to compliment Senator CHAFEE, because while he is the chairman of the full committee, he still attended all the hearings. In addition to the hearings, he took part in the field trips associated with them. That fact just speaks volumes as to how he is approaching this issue—trying to see the perspective of those of us from States that are natural resource based who feel how onerous the Endangered Species Act has been in its administration. I think he also heard from the people in the West that they support the goals of the Endangered Species Act. They want to make it work. Right now, it is not working.

Senator REID, who is the ranking member of the subcommittee that I am privileged to chair, has pointed out that we are engaged in those sessions

where we regularly are discussing the elements of a reauthorization of the Endangered Species Act. Our staffs are fully engaged in this so that we can come up with a reform of the Endangered Species Act, because just as Senator REID has stated that he has heard no group say that we ought to abolish the Endangered Species Act, I do not think I have heard of any Senator saying we should not reform the existing act. So we are engaged in that.

Senator CHAFEE and Senator BAUCUS, who spoke moments ago, said that we ought to abandon any sloganeering and the rhetoric. Boy, do I agree with that.

This issue on the Endangered Species Act, without question, is one of the most polarized issues that Congress will deal with, because you are so quickly labeled if you deal with the Endangered Species Act. You are going to be labeled either antibusiness or antienvironment. Now choose. But which of those is a winning label?

That is why we have to stop this nonsense of the rhetoric that is escalating this and do what is right for the species and for the people who are the stewards of this land trying to protect the species and bring about the well-being of these species.

We undertook this same sort of effort with the Safe Drinking Water Act: 10 months of sitting down at the table, back and forth, back and forth. And I will tell you, for a number of those months, Senator CHAFEE and I did not agree. But we ultimately agreed, as did Senator BAUCUS and Senator REID.

We are trying to do the same sort of process so that we can bring about meaningful reform of the Endangered Species Act.

I do not know if it is possible this year. I do not know if this thing has been so highly politically charged and if somebody has made a determination that this is going to be the political litmus test on whether or not you are proenvironment or not. If that has happened, then we can stop right now, because it will not happen. We will play politics with it. And that is wrong.

I stood here on the floor of the Senate when we dealt with the enactment of the funds for listing activities, the rescission package. I stood here and I defended the money that was authorized and appropriated because it is a meaningful activity. I am pleased to cosponsor the second-degree amendment offered by the Senator from Texas, Senator HUTCHISON, because the amendment is very straightforward. It allows all listing-related activities except the final determination that a species is threatened or endangered. And significantly, it also allows the Secretary to emergency list a species under the existing regulations. It also allows the down listing of endangered to threatened and the delisting of final rules. Straightforward.

I want to discuss then the very real need for Endangered Species Act reform and the role of the current moratorium that is on the books right now

and how it applies. When we enacted the moratorium initially last year there was a sense that we needed a timeout from the listing process, a sense that the Endangered Species Act as it is currently implemented is not working. The act is not saving the species that we all want to preserve. It is not saving those species.

The purpose of the moratorium was to give all of us and the administration and Congress an opportunity to explore meaningful reform of the act to make it work better.

That purpose for the moratorium is just as relevant today and maybe even more so. Together with my colleague, Senator REID, who is the ranking member of the subcommittee that I chair, I am using this timeout to reform and improve the Endangered Species Act.

Our goal—and I emphasize the words “our goal”—is to develop the bill over the next few weeks that will actually preserve endangered species and improve their habitat. This is a goal that we can all share. But the moratorium is an important element of that effort. People outside of the beltway who have to live with the real-life impact of the Endangered Species Act understand the importance of the moratorium.

Let me read an excerpt from a letter I received last week from the American Farm Bureau. They state:

Authorization of the Endangered Species Act expired over 3 years ago. Congress has clearly failed in its responsibility to address the issue surrounding how our Nation is protecting endangered species. This has occurred despite the calls for change in the act from business, the environmental community, Secretary Babbitt, and others. Farmers and ranchers, thousands of whom attended ESA field hearings throughout the Nation, are concerned that a new Endangered Species Act will never even be considered by the Congress. Clearly without a listing moratorium, there is no incentive to reauthorize the act.

It is for that reason that I cosponsored the amendment by Senator HUTCHISON. The Hutchison amendment as I stated, will continue the moratorium until we either reauthorize the law or at the end of the existing fiscal year. This will keep the pressure on all of us to craft a bill that we believe addresses the real problems with the Endangered Species Act.

The moratorium also applies only to final listings. The Secretary can still perform all of his other functions under the Endangered Species Act, including all preliminary activities up to final listing and actions related to the recovery of listed species.

The Hutchison amendment improves on the current moratorium by recognizing that situations may arise where a species is really in trouble. I do not want to drive any species to extinction. I do not know of anyone else who would willingly do so. Therefore, if there is an emergency and the Secretary has complied with the other requirements of the act, the Secretary can add the species to the list and would have the authority to use this

emergency listing power to protect the species.

Finally, the Hutchison amendment allows the Secretary to delist and downlist species if that action is appropriate. The moratorium is an important first step in our effort to achieve substantial reform of the Endangered Species Act.

As chairman of the Drinking Water and Fisheries and Wildlife Subcommittee I have held a number of field hearings as well as hearings here in the Nation's capital to look at the current Endangered Species Act and to identify ways to improve the act.

It is clear from the testimony we gather that the Endangered Species Act has not accomplished what Congress intended when it was written more than 20 years ago. And it is clear that it is possible to achieve better results for species by improving the act. That is what we are engaged in, trying to improve the act.

When Congress passed the Endangered Species Act of 1973, it was intended to slow the extinction of plants and animals that we share this Earth with. When former Senator Jim McClure, who was here when the ESA was first written, testified before the Environment and Public Works Committee just 2 years ago, he referred to the Endangered Species Act as a “great and noble experiment.”

He stated it was the intent of Congress in 1973 to “legislate the lofty ideal of a National effort to conserve species * * *.” He also made it clear that the way the Endangered Species Act has been regulated has made a mockery of that intent. He stated that “* * * lack of specific direction in some areas of the act could be corrected by the administrative agencies charged with implementing the act.”

But in Roseburg, OR, in Lewiston, ID, and Casper, WY, the people who live with the ESA told us correction has not happened. We heard from a rancher in Joseph, OR, who described how Federal regulators under the threat of a lawsuit from environmentalists tried to stop all grazing on forest lands in the mountains because salmon were spawning in streams that ran through the private lands below. But, in his words, “the cows were up in the high mountains, as far from the spawning habitat as you could get.” The ranchers had supporting letters from the Northwest Power Planning Council and the Oregon Department of Fish and Wildlife, but the Federal regulators would not see the reason to this.

We also heard from county officials in Challis, ID, about another lawsuit to shutdown all resource related activities on national forests in Custer the Lemhi Counties for the sake of preserving salmon habitat. The lawsuit would have resulted in a loss of 31 percent of the county's job and a 38-percent decrease in earnings. The impact on salmon would have been negligible since over 90 percent of the salmon spawning ground in Custer County is on private land.

We need to do a better job of making this act work, while recognizing the legitimate needs of people at the same time. We have let the regulators use the Endangered Species Act as a club against the very people who ought to help make the Endangered Species Act work * * * that is the citizens of the United States. The fact is the people spend too much time trying to comply with too much paperwork and too many regulations from too many Federal agencies. Just the consultation process alone can take years, particularly when the agencies involved disagree as they often do. In one case in Idaho, for example, a simple bridge was held up for over a year while the National Marine Fisheries Service reviewed a proposed construction plan that had been already approved by the Corps of Engineers, the Idaho Department of Fish and Game, Idaho Department of Water Resources, and Idaho Department of Environmental Quality. The National Marine Fisheries Service ultimately prevailed. Their bridge cost over four times as much as the original approved design.

Citizens spent too much time being afraid that a threatened or an endangered species will appear on their land and they will then be told what they can and cannot do with their land. In our field hearings, for example, several people testified that land owners who had previously managed their land intelligently in a way to preserve older trees are now cutting them down quickly because they are scared. They are scared that the Federal Government will find new endangered or threatened species down the road and come in and tell them that they will not be able to cut down their trees in the future.

The Endangered Species Act needs to be carefully reviewed, carefully debated, carefully rewritten so that it accomplishes its fundamental purpose to conserve species. We cannot wait any longer. The original reasons for the moratorium remain valid. Until the Endangered Species Act is reformed to accomplish what it was intended to do, there is no reason to add more species to it.

The only condition for removing the moratorium was reform to the Endangered Species Act. Interior Secretary Bruce Babbitt initially said there was no need for legislative changes in the act. After 2 years, though, of initiating administrative corrections to the act, he told my subcommittee that he was recommending a 10-point legislative plan to address endangered species. A 10-point legislative plan.

It appeared the changes he recommended were largely to bring the Endangered Species Act into compliance with his administrative changes. In fact, a major landowner who has spent literally millions of dollars to comply with the Secretary's administrative changes told our committee that they were not sure how their investment would hold up in the courts if

they were ever challenged because the changes are not part of the law.

I saw a very real need to include the Secretary's plan in my bill, and so the Secretary's 10-point plan is part of the reform that is being offered.

I also looked at the Western Governor's Association who had been through an exhaustive process to determine what that bipartisan group of Governors needed by way of Endangered Species Act reform. We have incorporated all of the language of the Western Governor's Association into this reform that we are bringing forward.

Last month the President was in Idaho addressing the needs of flood victims in the northern part of my State. During the course of his visit we had a good discussion about these environmental issues. Working off of the cooperation between Federal, State and local governments who are working together to help flood victims, the President acknowledged and made the point that we need to establish the same sort of partnership to reform the Endangered Species Act. I want to take him up on that challenge.

I want to take this opportunity to again compliment Senator REID, because we are working through this process. I hope it will bear the results that we are after. It should. We are making a good-faith effort. It should because it needs to be done. It should because we ought to do it this year instead of having to see that it becomes political fodder and we cannot deal with it.

I want to move forward this year with kind of a bipartisan bill that will incorporate the very real changes that everyone agrees are needed. Until then it only seems appropriate that the timeout represented by the moratorium is the best way to encourage everyone to stay at the table until we get this job done.

Perhaps the administration agrees. The moratorium was not in force during certain periods between continuing resolutions during 1995. The Secretary announced that he was not going to rush through various listing packages or critical habitat designations during that time. Instead, he honored the intent of the moratorium. Why honor the intent of the moratorium when it did not apply, and now seek to overturn it during an emergency bill?

There is an emergency in America concerning the Endangered Species Act. And from the view of my State, that need must be addressed by reform, not just adding more species to the list. If there is an emergency with regards to a particular species as a result of this moratorium, let Members address that.

It is evident to me that if we are to move forward to a safer, cleaner, healthier future, we have to change the way Washington regulates laws like the Endangered Species Act. States and communities must be allowed, even encouraged, to take a greater role

in environmental regulations and oversight. After all, who knows better about what each community needs, a local leader or someone hundreds of miles away in Washington, DC?

There are national environmental standards that must be set in the Endangered Species Act, and the Federal Government must make that determination, but Federal resources must be targeted and allocated more effectively, and that's why we must have a greater involvement by State and local officials.

The improvements we need in Washington go beyond State and local involvement. We need to plan for the future of our children, not just for today. Science and technology are constantly changing and improving. In the case of the Endangered Species Act, the Federal Government hasn't kept up with these improvements, and old regulations have become outdated and don't do the best job they can. That is why I want to reform the Endangered Species Act.

In the meantime, Mr. President, I think the moratorium on listings is the best tool we have to ensure that we continue to work toward meaningful reform of the Endangered Species Act.

I conclude by saying this: As I listened to Senator REID make his points about the areas that he thinks we should focus on, I do not find myself in disagreement. He is touching on a number of those issues that I do think we need to deal with. We may have a different approach as to how we correct them. That is what we are discussing at our sessions that we regularly conduct. We need to deal with this.

Senator CHAFEE referenced Noah and the flood—now when I had the discussion with the President, we referenced that too. I have heard people say that you should not change the Endangered Species Act, and they call it Project Noah, where Noah was charged to save those animals two by two. I believe that Noah had to have two-by-fours in order to construct the ark to save those animals, so we need balance. If there had been an Endangered Species Act in existence at the time that Noah was charged with saving those species, I do not know if he would have gotten permits before the floods came.

That is how a lot of landowners feel right now. They want to save the species. They can do it. Who are the very people that can do it? Is it the attorneys in the courtrooms litigating all of this? Absolutely not. Where you save the species is on the ground. On the ground, where their habitat is.

So why do we not change this whole atmosphere from adversaries to advocates? Why do we not enlist all of the American people in this great crusade to save these species? Right now we have them divided right down the middle. I challenge all of us that are dealing with this issue to step up to the plate so that Congress no longer abdicates its responsibility because it is too politically sensitive. We should

deal with it, deal with it for the species, and deal with it for the people who in too many instances are finding that it threatens their well-being, it threatens entire communities.

That is not what was intended by Congress in 1973 when it first enacted the Endangered Species Act. We should be realistic. I am being realistic in cosponsoring the Hutchison second-degree amendment. It is going to keep us at the table. It is at the table that we are going to write the reform that is necessary with regard to the Endangered Species Act.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the American Farm Bureau Federation, referenced earlier in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
March 7, 1996.

Hon. DIRK KEMPTHORNE,
U.S. Senate, Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR KEMPTHORNE: During consideration of the Continuing Resolution, we urge you to oppose any effort to remove the moratorium on listing of endangered species or the designation of habitat for endangered species.

Authorization of the Endangered Species Act expired over three years ago. Congress has clearly failed in its responsibility to address the issues surrounding how our nation protects endangered species. This has occurred despite the calls for change in the Act from business, the environmental community, Secretary Babbitt and landowners. Farm Bureau, at every level, has involved itself in providing the Congress with a wealth of information on ESA and how farmers and ranchers can be part of the solution in protecting species. Our members, thousands of whom have attended ESA field hearings throughout the nation, are concerned that a new Endangered Species Act will never be even considered by the Congress. Clearly, without a listing moratorium, there is no incentive to reauthorize the Act.

Again, we ask that you oppose any effort to remove the moratorium and support any effort to reauthorize the Act this year.

DEAN R. KLECKNER,
President.

Mr. CHAFEE. Mr. President, I want to express my appreciation for all that the junior Senator from Idaho has done in connection with working on the reauthorization of this act. As he pointed out, he has a determination, and I share that determination, to get this act reauthorized this year.

Here is the situation, Mr. President: As I understand the second-degree amendment that the Senator from Texas and the Senator from Idaho have submitted, and if I am wrong I would appreciate if he would correct me, I have a copy of it here, but there may have been changes to it since. What this does is say to the Secretary of Interior that in an emergency there can be a listing of the animal or plant as endangered.

What that means to me, and here is the problem, the situation has gotten so desperate that it therefore qualifies

for an emergency listing. By that time it is close to being too late. That is the whole problem. That is why this moratorium is bad business. Now it said here, well, we agreed to a moratorium last April so, therefore, we agreed to a moratorium in perpetuity. No, I never agreed to anything like that. I agreed to a moratorium last April that took us through to the end of that fiscal year. That does not mean I am for going on and on with this business, especially because of the very point that it seems to me that the second-degree amendment stresses, that by having these moratoriums the situation gets worse and worse, no action is taken, and then you come rushing in under an emergency listing. Yes, that is better than nothing but by that time it is probably too late. The cost is so significant.

In connection with that, I might say they reduce the money that has been proposed by the Senator from Nevada very, very substantially. The moneys that are available are not going to do the trick here as far as saving these species that have now reached the emergency situation.

For those reasons, Mr. President, I do not find that the second-degree amendment solves the problems we have been dealing with here this evening. I hope, as I hoped the original amendment would be approved, namely, the Reid amendment, I hope that careful consideration would be given by all to this second-degree amendment and there will be a motion—I presume by the Senator from Nevada—to table that second-degree amendment. I urge favorable consideration of that motion to table because of the reasons enunciated. Namely, we do not want this situation to reach the emergency status.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, the debate Senate REID has started regarding the Endangered Species Act is a good one. We need to reexamine this act and where we have succeeded and where we have failed.

However, the amendment by my friend from Nevada moves a step away from reforming a well-intended law. Therefore, I must oppose Senator REID's amendment.

The Endangered Species Act [ESA] was well intended. But, like many good ideas, its original intent has been twisted and misused. It has been turned away from an act designed to protect species, and instead is being used to close down thousands, if not millions, of acres of land throughout our country.

In Montana, we have wolves being placed in Yellowstone as an experimental population under the Endangered Species Act. We have miles and miles of roads being closed in order to protect grizzly bears. And, we face the threat of listing of the Bull Trout even though our State is taking an incred-

ibly active role in managing this species. While Montanans are proud of our wildlife, we are equally proud of the lifestyle we cherish. This is based on the balance and wise-use of our lands.

Senator REID's amendment would repeal a moratorium on the listing of new species on the endangered list. Under the moratorium, prelisting work and recovery activities are still under way. The moratorium does not effect these activities.

But, the moratorium on listing is important because it gives the Congress and the administration an opportunity to reexamine the Endangered Species Act. We need to allow the Environment and Public Works Committee an opportunity to do their job. The committee held a number of hearings last year throughout the United States on the act. Now, we need to allow the committee to report a bill which will address the inadequacies of the act.

While most Americans agree we need to protect and recover endangered species, there are a wide range of beliefs on the extent and costs which should be incurred.

The process is out of control. For every dollar we spend on recovery, we spend another on process. This includes consultation, law enforcement, listing, and permits. That ratio needs to change. We need more recover for our money.

One example for Montana, Idaho, Oregon, and Washington is the salmon. Should we spend \$1 billion each year and increase electric rates in the name of the salmon in the Columbia River? Yet we have not recovered one fish in the process.

We can do a better job at protecting species at a lesser cost to the Federal treasury, local communities dependent on natural resources and landowners. I hope the Reid amendment will be rejected and that we can continue to consider a complete reauthorization of the act in the near future.

Mr. President, the work that has been going on now for the reauthorization of the Endangered Species Act has been going on ever since I walked through these doors. I would like to have a nickel for every word that has been spoken about the good intentions of reauthorizing the act. It has not been done yet. Given that track record, it just goes to prove that the way Washington works and the way we regulate have to be looked at.

I would rather this amendment not come up. I do not think this is the time or place to consider this issue, as an amendment on this bill. The Committee on Environment and Public Works has the reauthorization now under consideration and should come forth with legislation for this body to vote on.

We should let that process move forward. The law, in its present form, is not working in the manner in which it was intended or in a way it can be successful. If we who serve here in the Senate are to pursue sensible environmental policy that preserves the gains

that we have made in the last two decades, then this law will have to be changed to make it user friendly, and also to approach the problem of endangered species in a plain, everyday, commonsense way. If there is anything we are short of here, it is common sense.

However, that not being the case in this instance, let us look and see the merits of this amendment and, of course, the second-degree amendment. The moratorium now in effect is just on listings. Until a couple of weeks ago, we had 2,500 to 3,000 candidates on the list to be considered for listing. Under the moratorium, we now have 184. The Secretary of the Interior using a model in which to cut those way back so it does not sound like they are not working to make it work. And recovery plans on those who are actually on the endangered list continue.

Now, I suggest to this body that for as much money as it has cost, the recovery record has not been very good. If the sponsor of this amendment wants to take credit for delaying this bill, thus leaving the employees for the respective departments not knowing—we should give them some predictability and planning for which they are responsible with regard to this Endangered Species Act.

Recovery plans must move on. It cannot move on as long as the appropriation is hung up here in the U.S. Senate. It is not fair to the employees, nor is it fair to the taxpayers of this country, nor is it fair to what we are trying to do, which is to preserve a base of biological diversity that we all know is very, very important.

The sponsors of this amendment must understand that the very people who are administering this law are the ones that are funded by this legislation. But sometimes I do not understand the motives on such predictability.

I do not think we have an endangered species crisis or an environmental crisis here. I do not feel there is any great urgency or a great care for the maintenance or restoration of a healthy biological base or diversity—not in this particular exercise, not on this day. I have a feeling there is a little bit of politics in this. But, after all, that should not surprise any of us. It is like I said, the work goes on. Right now, there are around 900 domestic species that are listed on the threatened or endangered list. There are another 900 on the foreign endangered species list. There were 3,500 to 4,000 a couple of weeks ago on the candidate list, which is now down to 182. So the work continues.

So it is not that the U.S. Fish and Wildlife Service does not have enough work to do without this moratorium, because they do. This has been a very, very expensive law. And, at times, it has defied common sense. In most areas, the law has not worked. It is being used for a purpose that it was not intended for.

I would like to look at a couple of species that have been listed. We have

spent over \$2 billion in recovery, both in taxpayers' money and ratepayers' money, on the Columbia River trying to recover the sockeye and the chinook salmon. You can buy salmon in any grocery store fresh, frozen, or canned. As you know, we had the terrible accident in Prince William Sound in 1989 when the *Exxon Valdez* ship hit a rock and spilled the crude. Everybody said the fishing would be gone forever. The other day in that particular part of the world—I noticed that the Secretary of Agriculture, Dan Glickman, went to Alaska, and the harvest of salmon was so big that the Department of Agriculture has decided to buy an extra amount of salmon for the school lunch programs around this country.

The market is depressed because of an oversupply. Mr. President, I am sure not opposed to the School Lunch Program. In fact, I am a great supporter of it. I even like the idea that salmon should be a part of the diet. But it does seem strange to me that we have chinook and sockeye salmon on the endangered species list where we will be able to buy it anywhere in the world, and yet, we have spent all that money with the possibility of endangering hydro power production on the Columbia River. I think we can cite a lot of those kinds of instances where common sense has absolutely been laid aside to make it work.

I hope my colleagues will reject this amendment and allow the committee of jurisdiction to complete its work in reforming the law. Let us involve local government; let us involve local citizens when we start talking about listing; and let us separate this business of listing from the business of recovery. Right now, the way the law is written, if a species is put on the endangered list, it is head-over-heels costs. It means nothing. We start the recovery program and, as we have found out, that becomes very expensive. Let us not knee-jerk this around because it is a highly charged issue, just to appease some folks who want an environmental record.

When one has to answer and solve a problem or policy, or enable problem solving to go forward, and we do it by just throwing taxpayer money at it, I do not think that is the correct approach. And if we are to pass on to the next generation a world where clean water and clean air is the hallmark, and a broad-based biological diversity is intact, then we must approach it and we have to make sure that this law survives.

As it is right now, it may not—the total law—because of people and the actions that they take to prevent it being applied to my property or my neighbors' property.

So, Mr. President, the moratorium should stay intact. And there are those who are dedicated. I know that my friend from Nevada—I worked with him on another committee—when he commits himself to something, he does it wholeheartedly and with a great deal of integrity.

They should keep working on this law. They should bring it forward. But I am kind of like the Nike commercial: "Let's do it." Let us quit talking about it and do it. Let us quit dealing with people that might be like a featherbed because the last one that sits on it leaves the biggest impression. Let us do it because the law needs to be reformed. My friend from Nevada understands that, and also my friend from Idaho does.

We want to see it survive, and we want to see it work in the best interest of mankind and also for the species that are involved. Let us look at fairness. Let us look at balance. But let us make sure that it works. Let us involve local government from the county commissioners to the city council. Let us work with Governors and State government. Let us work with the fish and game people and the wildlife biologists that are found in each and every State, because each and every State is unique and they have a very unique biological base.

So let us reject the Reid amendment totally, and let us bring forth a new bill. Let us dedicate ourselves to it because I think we owe it to the taxpayers of this country.

Mr. President, I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I reluctantly disagree with my friend from Montana on the bulk of his statement. I say to my friend before he leaves the floor that one of the most pleasant experiences I have had in the U.S. Senate has been working with the junior Senator from Montana on the Appropriations Committee, he being chairman of the Military Construction Subcommittee and me being the ranking member. He is easy to work with, and I think we have been very productive in that subcommittee.

Mr. President, first of all, let us go back and reflect on how we arrived at the point where we are now. The junior Senator from Texas offered an amendment to stop listing further species until the end of the fiscal year. That was the end of last fiscal year—not this fiscal year.

I read from the CONGRESSIONAL RECORD where the Senator said the amendment rescinds \$1.5 million of funding for new listings of endangered or threatened species, or designation of critical habitat, through the end of the fiscal year, which is a little more than 6 months from now. It provides remaining funds not to be used for final listings.

Mr. President, this so-called emergency moratorium was to end last October 1. Here it is October, November, December, January, February, and we are in the middle of March—6 months later, almost 1 year later, and it is still going on. That is wrong. The record is replete with examples of why we should not have this moratorium.

There are species of plants and animals that are life-sustaining that will

relieve pain and misery throughout the world. Eighty percent of the drugs prescribed to the American public are compounds that initially come from a plant or other species.

Mr. President, I say to my friend from Montana who gave the example of the oil spill in 1989 that I hope—I am sure—the intent of the Senator was not that we have more oil spills to increase the population of fish around the world. We all know that there is a lot of fish where the oil was spilled. It was not because of the oil being spilled there.

I also say to my friend from Montana that the numbers of species that he talked about is daily. The Department of the Interior published within the past couple of weeks; the prepublication copy was February 23 of this year. The Department of the Interior Fish and Wildlife Service, 50 Code of the Federal Register, Part 17, Endangered/Threatened Wildlife and Plants, revealed plants and animals that are candidates of listing as endangered or threatened species. There are 182. They eliminated the others.

So, as I indicated earlier, Mr. President, we have 243 species that have already been proposed for listing. We have 182 that are candidate species. This is what we have to make sure of—that we are allowed to process these in an appropriate order. This does not mean when the moratorium is lifted that we are going to have 182 or 243 thrown at the American public in a day or two. It will take years. But the process needs to go forward for the reasons that I have mentioned.

We are dealing literally with life and death. We have been very patient. The chairman of the full committee voted with the junior Senator from Texas on the original moratorium. I think everyone who voted for it was willing to say, "Well, we will give it until the end of this fiscal year." But then, after the fiscal year, we got into the continuing resolution process. I think there were 10 CR's offered in the past few months, and in each one of those the moratorium was extended and extended and extended, and it has been to the detriment of the American public. We owe it to the American public to process these species of plants and animals that are listed. Doing so, Mr. President, will benefit mankind and certainly do the thing that is fair.

The emergency listing in the second-degree amendment is very transparent. It is only a way to give people who want to say they want an environmental vote to vote environmentally. As we have already established an emergency listing, that is not how we should list things. We should not wait until the animals are gone before we list them. It should be an orderly process so we make it much better and easier on everyone.

Mr. President, I will await the debate in the morning, and I yield the floor.

The PRESIDING OFFICER. According to the previous order, there is no further debate.

Does the Senator from Montana seek recognition?

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

MODIFICATION TO AMENDMENT NO. 3473

Mr. BURNS. Mr. President, I ask unanimous consent to modify amendment No. 3473, to make technical changes that I will send to the desk.

Further, I ask unanimous consent to restore text at the end of amendment No. 3473. Language that appears on pages 778, line 1 through 781, line 4 of amendment No. 3466 was inadvertently deleted.

I send the technical changes to the desk.

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

So, the modification to amendment No. 3473 is as follows:

Under the heading "Departmental Management, Salaries and Expenses", \$12,000,000, of which \$10,000,000 shall be only for terminal leave, severance pay, and other costs directly related to the reduction of the number of employees in the Department.

In addition to the amounts provided for in Title I of this Act for the Department of Health and Human Services:

Under the heading "Health Resources and Services", \$55,256,000: *Provided*, That \$52,000,000 of such funds shall be used only for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act and shall be distributed to States as authorized by section 2618(b)(2) of such Act; and

Under the heading "Substance Abuse and Mental Health Services", \$134,107,000.

PART 3—GENERAL PROVISION

Notwithstanding any other provision of this Act, section 4002 shall not apply to part 1 of chapter 3 of title IV.

On page 539, lines 18 and 19, and page 540, line 10, decrease each amount by \$200,000,000.

On page 546, increase the rescission amount on line 21 by \$15,000,000.

On page 583, lines 4 and 14, decrease each amount by \$224,000,000.

ADMINISTRATION FOR CHILDREN AND FAMILIES JOB OPPORTUNITIES AND BASIC SKILLS (RESCISSION)

Of the funds made available under this heading elsewhere in this Act, there is rescinded an amount equal to the total of the funds within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year.

Section 403(k)(3)(F) of the Social Security Act (as amended by Public Law 100-485) is amended by adding: "reduced by an amount equal to the total of those funds that are within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year (except that such amount for such year shall be deemed to be \$1,000,000,000 for the purpose of determining the amount of the payment under subsection (1) to which each State is entitled)."

FEDERAL AVIATION ADMINISTRATION GRANTS- IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this account, \$616,000,000 are rescinded.

FLOODING

Mr. GORTON. Mr. President, as Senator HATFIELD knows, Cowlitz County

has been digging out, literally and figuratively, from the effects of Mt. St. Helens ever since 1980. These last two floods have exacerbated the movement of sediment in the Toutle, Cowlitz and Columbia Rivers creating both flooding and navigation concerns. Will the current Senate bill provide funding so the Corps of Engineers can use authorities available to them to review and correct these newly created problems?

Mr. HATFIELD. Yes, this bill provides funding for the corps to address problems such as those raised by my good friend, the Senator from Washington.

Mr. CONRAD. Mr. President, I note that the chairman and ranking member of the Commerce/State/Justice Appropriations Subcommittee are on the floor at this time. Senator DORGAN and I would like to engage them in a colloquy concerning the amendments which we offered and which were accepted yesterday to help prevent flooding at Devils Lake, ND.

The omnibus appropriations bill now includes emergency funding to address flooding at Devils Lake, ND. The lake is located in Benson and Ramsey Counties, as well as in the Devils Lake Sioux Indian Reservation. Last year, as my colleagues know, the lake reached a 120-year high water level, causing more than \$35 million in damages. The National Weather Service projects that the lake will rise an additional 2½ to 3 feet this year. It is our understanding that the additional \$10 million provided to the Economic Development Administration is to undertake emergency flood prevention efforts at Devils Lake. These emergency funds are critical to the area's economy, and will help prevent some of the \$50 million in flood damages expected this year at Devils Lake.

Mr. DORGAN. It is also our intention that the State of North Dakota or its designee be the EDA grant recipient in order to get emergency funding to the Devils Lake area as quickly as possible. An Interagency Task Force, headed by FEMA Director James Lee Witt, has recommended that 100,000 acre-feet of water be stored on upper basin lands as part of a comprehensive strategy to deal with the unprecedented high water. Additionally, the Army Corps of Engineers' Contingency Plan and the Interagency Task Force recommended raising essential roads that are expected to experience flood damage. Would the Chairman of the Commerce, Justice, and State Appropriations Subcommittee agree that water storage and elevating roadways are critical to ensuring the economic well-being of Devils Lake?

Mr. GREGG. It is my understanding that water storage and elevating roadways are essential to the area's economy, and that only those projects recommended by the Interagency Task Force or identified by the Corps of Engineers' contingency plan would be appropriate uses of the emergency supplemental funds for Devils Lake under

this bill. Is it the Senators' understanding that the State of North Dakota would provide the customarily required non-Federal cost share?

Mr. DORGAN. It is my understanding that North Dakota would provide whatever non-Federal share is customarily required by EDA.

Mr. CONRAD. That is my understanding as well.

Mr. HOLLINGS. Let me add that I agree with the comments of Senator GREGG. Projects of those types would fit well within the parameters of the emergency supplemental appropriations language.

Mr. DORGAN. I thank the Senators for their comments. I want to express my appreciation to the chairman and ranking member of the Appropriations Subcommittee on Commerce, Justice, and State for their assistance.

Mr. CONRAD. I also want to thank the Senators for clarifying the intent of Congress regarding emergency funding for Devils Lake. This funding will help prevent tens of millions of dollars of damages in Benson and Ramsey Counties and on the Devils Lake Sioux Indian Reservation.

Mr. CRAIG. Mr. President, the disastrous flooding in the northwestern United States has covered many areas with layers of flood-borne boulders, gravel, woody debris, and associated materials. Among those areas of particular concern are U.S. Department of Agriculture [USDA] Conservation Reserve Program [CRP] lands. The CRP program provides cost-share assistance to reestablish destroyed permanent vegetative cover. It is my understanding that present Department policy prohibits USDA from providing cost-share assistance of clear CRP lands of debris to reestablish permanent cover. However, the severity of this flood has covered these lands with unusually heavy and extensive deposits of materials that must be removed before permanent cover can be reestablished. It is also my understanding that the Department has the discretion to allow cost-sharing assistance to remove such materials. We are told that these lands are not eligible to use Emergency Conservation Program funds for clearing debris.

Mr. HATFIELD. Mr. President, our states, which border each other and have suffered from the same natural disaster, have similar and shared problems. I would inform the Senator that section 1101 of chapter 11 of title II of this bill gives cabinet secretaries of involved departments authority to waive or specify alternative requirements of any statute of regulation to expedite the provision of disaster assistance to affected areas. I believe that the Secretary of Agriculture can and should use this authority to provide cost sharing assistance to clear lands enrolled in the CRP reestablished cover.

Mr. COCHRAN. Mr. President, I concur with my friend from Oregon, the distinguished Chairman of the Appropriations Committee, that this would be an appropriate use of this authority.

Mr. CRAIG. Mr. President, as you know, my State of Idaho was devastated like others in the Northwest from floods in recent months. Many agricultural lands have sustained damage which must be repaired if the land is to be returned to productive use. It is my understanding that a need of \$1,167,000 has been determined for conservation work and streambank stabilization in Idaho through the Agricultural Conservation Program, which was not requested by the President. However, it is also my understanding that the Department of Agriculture administers the Emergency Watershed and Flood Prevention Operations Program and the Emergency Conservation Program, which could fund these needed activities in Idaho and other affected states in the Northwest. I would ask my colleague, the chairman of the Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies if this is his understanding as well?

Mr. COCHRAN. Mr. President, I appreciate the distinguished Senator's inquiry. This bill includes \$107,514,000 for watershed and flood prevention operations and \$30,000,000 for the Emergency Conservation Program. USDA has determined that these amounts should be sufficient to cover the damage sustained in the Northwest and other areas which have experienced natural disasters.

Mr. PRESSLER. Mr. President, the omnibus appropriations bill before us today is a wide ranging piece of legislation with programs that impact teachers, doctors, job trainees, police officers, and businessmen. I do want to single out one small piece of this legislation that is very important for South Dakota students and families, especially those in rural areas.

You see, many small banks and credit unions have been leaving the Federal student loan program due to burdensome audits imposed by the Department of Education. The audits on guarantee agencies and schools were extended to lenders in the Higher Education Act Amendments of 1992. I fully agree with the goal of cracking down on fraud and abuse in the student loan program.

However, these audits on small lenders are clearly a case of the cure being worse than the illness. The audits are duplicative and in the case of many small financial institutions, exceeding the profitability of the program. The audits are bureaucratic overkill. Expenditures are wasted, as the Department of Education does not even review all of the audits. For lenders with small portfolios, it does not make sense to stay in a program that is losing money. As a result, small lenders are leaving the program, forcing students and families to take their student loan business away from their hometown banks. When hometown lenders leave the program, students and communities are the real losers.

I was pleased to have worked with the chairman of the Labor and Human

Resources Committee, Senator KASSEBAUM, to include language in the Balanced Budget Act to correct this problem by creating an exemption for lenders with portfolios under \$5 million. I am equally pleased that the Appropriations Committee included the same language in the bill before us today. I want to thank the chairman of the Appropriations Committee, Senator HATFIELD, and the Subcommittee Chairman, Senator SPECTER, for adding this provision, which will allow students to continue doing business with their hometown banks. I am pleased this problem will be resolved for small lenders and their communities.

Mr. KENNEDY. Mr. President, I wish to make an observation about funding in this Appropriations bill for the Police Corps program.

I have long supported the Police Corps concept, because I believe it represents an innovative way to improve public safety and strengthen the ties between police departments and the communities they serve. I was proud to be an original sponsor of the Police Corps legislation, which was enacted into law in 1994 as part of the omnibus crime bill.

In the Senate-passed version of the crime bill, the Police Corps program was authorized at \$100 million for the first year, \$250 million the second year, and such sums as were necessary thereafter. Clearly, the Senate contemplated a truly national program. Regrettably, the pending bill contains only \$10 million for this important program, so a national effort is not feasible at this time. I am nonetheless pleased that the Police Corps will finally get off the ground.

It is my view that the \$10 million appropriated in this bill should be used to support a limited number of pilot programs, rather than spread thinly over many jurisdictions. With this much reduced amount, the Police Corps concept can only receive a fair trial if the money is concentrated in a few jurisdictions that make a serious effort to implement the program comprehensively. If instead the money were dispersed across the country as 435 separate Police Corps grants, each grant would support only one Police Corps officer. The administrative overhead alone would essentially swallow the entire appropriation.

This program will be administered by the Department of Justice. I expect—and I believe that my view is shared by the Appropriations Committee and the full Senate—that the Attorney General will allocate the \$10 million to no more than four or five jurisdictions. It is my understanding that several police departments are already prepared to apply for grants and then implement the program swiftly and conscientiously.

I also understand that the administration intends to request increased funds for the Police Corps Program in fiscal year 1997, at which time other jurisdictions can be added.