

in the middle, as I say, of a serious policy debate about Superfund in the community. In 1993 and 1994, the Democratic administration with a Democratic House and a Democratic Senate had 2 years to put together and move its own Superfund bill. They came forward with a bill, and that excused or limited the liability of big and small polluters in a number of ways. Whatever the merits of the bill, Mr. President—and I voted for it in committee—it failed to pass either branch of the then Democratically controlled House and Democratically controlled Senate. Therefore, you had at that time a Democratic President, a Democratic House, and a Democratic Senate and they could not make reforms in Superfund, showing how difficult this problem is.

Now, in our committee, Senator SMITH has taken the lead and put forward a bill some 8 months after we took over the Congress, that is, the Republicans. Since introduction of that legislation in the subcommittee, Senator SMITH and others have met with the administration for countless hours to explain the bill, to make technical changes, and to clarify its intent where needed. We are in the middle of bipartisan negotiations. We are striving to understand the administration's concern with the bill and to accommodate it wherever possible. We are waiting for more information from the administration on cost concerns the administration has raised and the impact of these changes, how they affect the agency, for example, and its resources.

In short, the administration has a serious forum in the Environment and Public Works Committee where we are meeting every day to exchange views on Superfund. This is why I find it curious and disappointing that the administration would choose this particular time to launch a factually inaccurate and politically contrived attack on the negotiation process and product.

I have counseled colleagues on both sides of the aisle in the committee that I am fortunate enough to chair that we must have a bipartisan approach if we are going to solve these complex environmental problems. I believe Superfund could be a model for how we can reach agreement on a sensitive problem in this year, a difficult year because of the political implications of the Presidential campaign. I believe Superfund could be a model for how we reach agreement on these difficult matters. I fail to understand how the President's advisers on environmental issues, who surely understand that Superfund proposals cannot be reduced to simple solutions and slogans such as "polluters must pay," can engage with us in serious negotiations while on the other hand they seek partisan advantage based on distortions.

Mr. President, it is time for the administration to choose. Does it want Superfund this year or is it willing to miss this chance and permit Superfund to continue to exact its hideous toll on

our economy? If we are going to fix Superfund, the administration must tone down its rhetoric and work with us to fix this badly broken program.

I thank the Chair and yield the floor. Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, I ask unanimous consent to proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Senator may proceed.

Mr. THOMAS. I thank the Chair. I will be brief so the Senate can move on.

TAIWAN RESOLUTION

Mr. THOMAS. Mr. President, I wish to indicate how disappointed I was last evening that we were unable to take up the resolution on Taiwan and the Taiwan Straits. We had prepared a sense-of-the-Congress resolution early in the week, had distributed it and talked to many. It was agreed to by the administration. It was also sponsored by the chairman of the Foreign Relations Committee and the ranking member. In any event, the upshot was that its introduction was objected to on the minority side, I think largely by the staff, and therefore we did not do it. We do intend, however, to come back and do that next week.

Mr. President, as all of my colleagues know, over the last 8 months the People's Republic of China has held an increasing number of missile tests and military exercises.

Last year, starting in July, there were 21 to 26 missile tests; in July and August, troop movements in provinces bordering Taiwan. The purpose of these tests has obviously been to intimidate the Taiwanese. They have been accompanied by denunciations of President Li. They have been timed to coincide, of course, with the election that takes place there.

Now, unfortunately, the People's Republic of China has escalated the situation with these new tests, tests that are the closest ever to the main island and purposely, of course, timed to affect the election which will take place later this month. They have also been close to Taiwan's two ports, and that has been very worrisome. These are reckless, I think, and greatly disturbing to most people in this country.

We have a strong interest in the peaceful settlement of the Taiwan question. That interest of ours is central to the three communiques and the People's Republic of China joint communiques that we have entered into over the years, as well as the Taiwan Relations Act, which is to provide stability in that part of the world and which provides for a peaceful movement toward that one-China policy.

I firmly believe we need to reexamine our relationship with China. I think we

have to narrow the number of issues in which we become involved and not seek to run their country. But when we do have agreements, then we have to make sure that they are adhered to by both the Chinese and ourselves. Our relationship currently is filled with items that have not been consistent with these agreements—the intellectual property agreements, the nuclear proliferation in Pakistan and Iraq.

So, Mr. President, it is necessary that we do state our position; that we do insist on a peaceful direction and resolution of this issue; that we do clarify our one-China policy; that we do congratulate the Taiwanese in their movement toward democracy and open markets and urge that same open market approach take place in China.

So I commend the Taiwanese, their government, for reacting calmly to these provocations. They, I think, have shown considerable restraint, and I congratulate them on their long march toward democracy. I hope that continues during the election next week.

I yield the floor.

NATIONAL GOVERNORS' ASSOCIATION WELFARE AND MEDICAID PROPOSALS

Mr. ROTH. Mr. President, 3 months ago President Clinton vetoed the Balanced Budget Act of 1995. The failure to balance the Federal budget continues to hang like a dark cloud over American families and businesses. The heavy yoke of Federal budget deficits still threaten to choke off economic growth and future prosperity. Moreover, by vetoing this legislation, the President also preserved a welfare system which traps millions of children into a cycle of dependency.

A few weeks after the balanced budget veto, President Clinton stopped welfare reform again by vetoing H.R. 4, the Personal Responsibility and Work Opportunity Act of 1995. However, the President also pledged that, "I am nevertheless determined to keep working with the Congress to enact real, bipartisan welfare reform."

Mr. President, 1 month ago the men and women who serve as the chief executives of our 50 States presented the President, the Congress, and the American people with bold new proposals to restructure Medicaid and reform the welfare system. Gathering from across the country, the Governors set aside their own differences and found the common ground and bipartisan consensus which have been missing in Washington. The Governors have presented us with a fresh opportunity to bridge the differences which divide the Congress and the President.

The Committee on Finance has recently completed a series of hearings on the National Governors' Association proposals. On February 22, six Governors, four Democrats and two Republicans, urged the Congress to quickly pass both welfare and Medicaid reforms. We heard from Governors Carper, Chiles, Engler, Miller of Nevada,

Romer, and Thompson—who along with Gov. Mike Leavitt of Utah—created the welfare and Medicaid proposals at a time when few believed such a task would be possible.

It would have been easy for these Governors to allow politics and individual interests to divide them. Instead, they put their reputations on the line when it would have been safe to simply leave the task for someone else. This was an effort that was built on a genuine search for common ground and bipartisanship.

Indeed, the proposals were adopted unanimously with the support of the most conservative and most liberal Governors and everybody in between.

The Finance Committee heard additional testimony from the Secretary of Health and Human Services and two panels of experts on the Governors' proposals. Let me briefly summarize and highlight some of the most important provisions of the NGA proposal.

In welfare reform, the Governors agreed to build upon H.R. 4 which President Clinton vetoed, but they have responded favorably to many of the President's requests. The President called for additional child care funds. The Governors ask for \$4 billion more in child care funds. The President insists he supports time limits on welfare benefits and the Governors agree.

The President called for protecting States in the event of an economic downturn, so the Governors propose another \$1 billion for the contingency fund.

The President objected to certain Federal mandates and the Governors agree. The President and the Governors also agree on the concept of performance bonuses to reward States for moving families from welfare to work.

In "Restructuring Medicaid," the Governors responded to many of the President's concerns outlined in his veto of the Balanced Budget Act. Perhaps most important, States would guarantee Medicaid coverage to nearly every current Medicaid recipient. The current mandatory services would all be guaranteed. The Governors increased funding for persons with disabilities. The Governors agreed to continue current nursing home laws and regulations.

These are all significant compromises for the Governors to make. These changes demonstrate that the Governors are firmly committed to this bipartisan effort.

In a speech to the National Conference of State Legislatures last July, President Clinton expressed doubts about whether block grants for Medicaid and food stamps would keep pace with changing economic conditions. Once again, the Governors responded to the President's concerns. Governor Romer has described the NGA Medicaid proposal as a "true combination of a per capita cap and a block grant." Under the Governors' proposal, each State would receive a base allocation of funds. In addition, there would be a

supplemental insurance umbrella to provide funding for unanticipated growth in the program.

In light of all of these changes, one might objectively expect an enthusiastic endorsement of the NGA proposals from the administration. The proposals moved significantly to the President's positions. They were constructed with the help of Democratic Governors, some who served with President Clinton in the National Governors' Association when he was a Governor.

To be candid, the administration's response to the Governors' proposal has been profoundly disappointing. Even with all of the modifications offered in the Governors' proposals, Secretary Shalala testified the administration opposes the NGA proposal in its present form. It is apparent that while the administration talks about comprehensive reform, it, in fact, prefers the status quo.

At this year's State of the Union Address, President Clinton told the Congress and the American people that, "the era of big government is over." I guess the folks at HHS did not get the message.

In describing the current welfare system, the Governors and the administration would seem to be talking about two different worlds. The current welfare system is a masterpiece of mediocrity at best. But time and again, the administration talks about protecting children as if the current system were good for children. In contrast, the Governors have told Congress that the current welfare policies "punish parents who work too much, they punish mothers and fathers that want to stay together, they punish working families who save money, and they reward teenagers who have babies out of wedlock." This is not a legacy to leave for our children.

The family is the cell of society and Washington has proven it does not know how to build strong families, only bureaucracies. And now the bureaucracy threatens to stop bipartisan welfare reform.

The Governors are looking forward while the Federal bureaucracy clings to the past. While the administration talks about a commitment to the present system, Governor Thompson talks about being trapped in a failed system. The bureaucracy would have us believe that States are poised to callously reduce health care coverage for the poor. In contrast, Governor Thompson believes he would be able to expand health coverage to an additional 30,000 children who are not covered today if reforms are made. He would add hospital coverage for 32,000 indigent adults.

While the Governors tell us that immediate action is necessary, the administration wants to appoint a commission to study the current Medicaid formula.

While Democratic and Republican Governors alike sharply criticize the current waiver process and the heavy

hand of the Health Care Financing Administration, Secretary Shalala defends keeping the power in the hands of the Federal bureaucracy. The very idea that the Federal Government must protect children and the elderly from the Governors and State legislatures is not only wrong. It is insulting.

President Clinton had it exactly right when he told the National Conference of State Legislatures last July that "we couldn't have done all this without a strong commitment to changing the way the government does the people's business here in Washington, because the old federal ways and the old federal bureaucracy were not going to permit the kind of changes we have to make to get to the 21st century."

How prophetic and how ironic. The old Federal ways and the old Federal bureaucracy are alive and well and are now standing in the way of authentic welfare reform. How predictable but disappointing.

Well, Mr. President, the Chief Executive cannot escape the blame for this result.

President Clinton went on to say that, "reinventing government means reinventing the way the Federal Government does business with you as well. We have worked very hard to forge a genuine partnership between the States and the National Government."

Mr. President, at the current rate of spending, the welfare system is driving both partners into bankruptcy. Who then will be left to serve the needy?

Over the next 7 years, the Federal, State, and local governments will spend more than \$2.4 trillion on the current welfare and Medicaid programs. That is equal to all State and local government expenditures between 1992 and 1994. In 1994, for \$2.4 trillion, you could have purchased:

Every farm, including the value of all land and buildings in the United States;

All livestock;

Every new house sold in the United States;

All household equipment sold in the United States, including all furniture, every television, all dishes, every kitchen appliance, and home computer;

Every piece of clothing and all shoes sold;

All nonresidential buildings, that is, every office building, hospital, and school purchased in 1994.

All nonresidential information processing equipment including all office computers and photocopying equipment.

These are some of the things you could have bought in 1994 and there would still have been enough money to fund the entire Medicaid Program in 1994. It is simply outrageous for the administration to scare the American people about slowing the rate of growth in these programs.

We need to talk about what happens if we do nothing. The plain fact remains that if we do nothing to the current welfare system, more children will

be on welfare in the coming years. It is time the administration stopped hiding behind children.

The NGA proposals have sparked an important debate not only about the future of these programs, but the future of the relationship between the States and the Federal Government as well. Despite Secretary Shalala's opposition to every fundamental change to the current welfare system, we should move forward on the Governors' welfare and Medicaid proposals. It is time to dispell the false choices conjured up by the bureaucracy and give the States the opportunity to change the future.

Mr. President, 37 months ago, President Clinton promised the Nation's Governors that he would work with them to "remove the incentive for staying in poverty." He told the Governors that "many people stay on welfare not because of the checks * * * they do it solely because they do not want to put their children at risk of losing health care or because they do not have the money to pay for child care * * *."

As President Clinton has indicated, Medicaid must be part of the solution for returning families to work. Separating Medicaid from the rest of the welfare reform package simply will not work. Medicaid reform is welfare reform. If the President genuinely wants bipartisan welfare reform, his administration cannot pitch the NGA proposal out as just so much straw.

At that NGA meeting 3 years ago, President Clinton also told the Governors that the American people "don't want our process divided by partisanship or dominated by special interest, or driven by short-term advantage."

Mr. President, the Governors have given us the opportunity to meet this expectation. It is my hope that the President will join with us and embrace this opportunity.

If the administration rejects this last best chance for bipartisanship in the next few weeks and welfare reform fails for a third time, the American people should clearly understand that Governors they elected were defeated by the Federal bureaucracy and the special interests it serves. The American people should then judge the administration not by its words but by its deeds.

THE RUSSIAN POULTRY DISPUTE

Mr. ROTH. Mr. President, I want to say a few words about recent developments in the United States-Russian trade relationship. In February, Russian Prime Minister Chernomyrdin announced a ban effective tomorrow—March 16—against imports of American-produced poultry to protect Russian farmers. This proposed ban is of great concern to American agriculture and, if imposed, would be a terrible blow to the American poultry industry.

Our poultry sales to Russia have been one of our great exporting success stories. In 5 short years, Russia has become the largest foreign market for United States-produced chicken and

turkey—worth over \$500 million a year. The tremendous growth in popularity of American poultry with Russian consumers is due, in no small part, to its recognized quality and reasonable price.

On March first, I sent a letter and spoke to our trade representative, Mickey Kantor, expressing my concerns over the proposed Russian ban and Moscow's increasing protectionism against foreign imports. I ask unanimous consent that a copy of this letter be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, March 1, 1996.

Hon. MICHAEL KANTOR,
U.S. Trade Representative, Washington, DC.

DEAR MR. AMBASSADOR: I am writing in reference to our two conversations on the Russian Government's recent ban on imports of United States-produced poultry. Apparently, this ban is part of a broader protectionist plan by the Russian Government to block agricultural imports into Russia. As I told you, these actions will severely hurt the U.S. poultry and agribusiness industries.

If the Russian Government does not act swiftly to end the ban on poultry imports, I strongly urge the Administration to take forceful retaliatory measures. Immediate action should include: Trade retaliation under Section 301 against imports of Russian products—in particular on imports of aluminum and other ferrous and non-ferrous metals.

An across-the-board freeze on Export-Import Bank loans and credits to Russia, including the recently approved \$1 billion assistance package for the Russian aircraft industry.

Suspension of U.S. assistance programs to Russia, including those from the U.S. Department of Agriculture and the United States Agency for International Development, which focus on assisting the global competitiveness of the Russian economy.

Should these measures not result in a satisfactory response from Moscow, the Administration should also reconsider its support for the International Monetary fund's recently concluded \$10 billion economic-assistance package for Russia.

Let me reiterate that I am particularly shocked by these protectionist actions by the Russian Government, given the generous assistance the U.S. has provided in helping Russia to enter the global economy.

I greatly appreciate your support on this issue, which is of utmost importance to the U.S. poultry and agribusiness industries.

Sincerely,

WILLIAM V. ROTH, Jr.

Mr. ROTH. Shortly after I sent that letter, Russian Prime Minister Chernomyrdin told Vice President GORE that the ban was off and that American poultry exports to Russia could continue uninterrupted. Based on press reports, I understand Russia's chief veterinarian still threatens to block imports of United States poultry.

Mr. President, due to these conflicting signals from Moscow, it is unclear what action the Russian Government will take. I hope that Prime Minister Chernomyrdin is good on his word. We will have to see what the Russians do after tomorrow.

However, if the ban is imposed, I strongly urge the administration to take the forceful and immediate re-

sponses I outlined in my letter to Ambassador Kantor—including retaliation against Russian imports into the United States, a freeze on Export-Import Bank loans and credits, and suspension of American foreign assistance programs to Russia.

If these measures should prove to be insufficient, then I would urge the administration to reconsider United States support for a \$10 billion assistance package the International Monetary Fund has promised Russia.

Mr. President, if we do not send a strong message to the Russians, it will only encourage them to take further protectionist measures that will only hurt United States exporters, Russian consumers, and Russia's economic development as a full partner in the world economy.

Russia's apparent swing to protectionism is particularly disturbing given the high level of American aid to Russia. Since the end of the cold war, the United States has given over \$1.5 billion in foreign assistance to Russia, not including several billion dollars we have provided to promote Russian trade. In light of U.S. generosity, Moscow's protectionist bent against American products is simply astonishing.

I trust that the Russian Prime Minister's word will be good, the poultry ban will not go into effect, and that Russia's commitment to free trade will not weaken, but will grow stronger.

JOHN P. CAPELLUPO

Mr. BOND. Mr. President, I rise at this time to recognize a fellow citizen for the achievements and contributions he has made to this Nation and industry in which he has worked for three decades.

John P. Capellupo, president of McDonnell Douglas Aerospace, will step down from his position and retire from this leading U.S. producer of military aircraft on March 31.

As a member of the Senate Appropriations Committee Subcommittee on Defense, I am intimately aware of the contributions that John Capellupo has made to aerospace and the national security of the United States.

Mr. Capellupo, or Cap as he is widely known, began his aerospace career in 1957 working as a technical analyst on the F-101B aircraft and super Talos missile programs at what was then the McDonnell Aircraft Co. in St. Louis. He rose steadily through the engineering ranks, into program management, and ultimately, to the company's highest leadership positions. In February 1989, he was named president of McDonnell Douglas Missile Systems Co. In January 1990, he left St. Louis for Long Beach, CA, to become deputy president of Douglas Aircraft, the company's commercial and military transport division. In May 1991, he returned to St. Louis as president of what is now McDonnell Douglas Aerospace.

Throughout his distinguished career, Mr. Capellupo served as a driving force