

and the use of African-American soldiers in World War II, the study recommended that 10 African-Americans be considered for the award of the Medal of Honor.

The Secretary of the Army, the Secretary of Defense, and the President recommended legislation that would permit the award of the Medal of Honor to the seven heroes I previously mentioned.

This marks the end of a long journey for these seven men—six of whom who have died before they could realize this great honor.

It is not the end of a journey, however, for our military services as they continue to lead the Nation in matters of equal opportunity, elimination of racial and gender discrimination, and creation of an environment that is, in fact, based on individual merit and performance.

I have always been proud of the way our military services were able to recognize the importance of eliminating discrimination and prejudice. I have always been proud of the tremendous efforts that have been made and that will continue to be made in this area.

Surely, 100-percent success has yet to be achieved, but the U.S. military is clearly a beacon lighting the way for the rest of the Nation.

So, too, today I am proud of what these heroes have done. But I am also proud of how we as a nation can look back into our history and, seeing something that just is not quite right, can and will fix it.

I regret that six of our seven heroes are no longer with us. I hope and pray that their families and loved ones will realize the significance of what these courageous men accomplished and permit our Nation to honor them in this way.

Mr. President, I thank the Chair. I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to speak as if in morning business for 5 minutes.

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

#### HEALTH INSURANCE REFORM

Mrs. KASSEBAUM. Mr. President, it has been exactly 2 full months since the Senate unanimously passed the Health Insurance Reform Act 100 to nothing. However, because Republicans and Democrats have been unable to reach agreement on one outstanding issue—the size and scope of the Medical Savings Account Demonstration Program—we have not been able to make further progress in reaching a compromise between the House and Senate language on this bill.

Many, I think, assume that this legislation which passed unanimously in the U.S. Senate has already become law, and that is just not the case. I

would suggest that every day we wait the stakes grow higher. As the number of legislative days dwindle:

More American families lose their health insurance coverage;

More American families are unable to obtain insurance because of pre-existing illnesses or outright discrimination;

Millions of Americans hold onto jobs that they would otherwise leave for fear of losing their health coverage;

Patients suffering from AIDS, and our seniors and disabled citizens, do not have adequate resources to pay for care;

And self-employed men and women, and small businesses, find the cost of health insurance increasingly out of reach.

The bipartisan health reform legislation that passed both the Senate and the House in April would help address these critical issues. The General Accounting Office [GAO] estimates that the reforms at the heart of the bill will help at least 25 million Americans each year.

There is no disagreement between Republicans and Democrats about how to help these 25 million Americans. Yet each day that we quibble over whether to allow a tiny fraction of the insurance market to test the concept of medical savings accounts, the chance to enact reforms that will help these 25 million Americans grows dim.

As my colleagues know, the House passed a very different bill from the Senate. But after weeks of discussions and sometimes tense negotiations between Republican leaders, we have reached agreement on every outstanding issue—except for MSA's. The House has agreed to drop altogether controversial provisions on multiple employer welfare arrangements and medical malpractice. While many—including myself—strongly believe we need to help small employers gain purchasing clout and control the health care costs through malpractice reform, all of us recognized that compromise was necessary to reach a bipartisan consensus on the legislation.

Mr. President, I want to assure my colleagues and the American people that the core of the Kassebaum-Kennedy bill is firmly in place in the House-Senate compromise. Those provisions will greatly enhance the health security of American workers. In addition, the compromise legislation increases the deduction for self-employed individuals from 30 to 80 percent, provides tax deductions to help make long-term care more affordable for our seniors, and helps reduce health costs by fighting fraud and abuse and reducing the paperwork burden imposed on patients, doctors, and hospitals.

In an attempt to reach agreement on the remaining outstanding issue, Republicans have offered three separate compromises on medical savings accounts. Unfortunately, these concessions seem to have done little to narrow the gap between Republicans and

Democrats in the House and Senate, and the White House.

Last night, under the leadership of the distinguished majority leader, Republicans proposed an extremely generous, constructive compromise that will allow us to test the concept of MSA's and assess their impact in the small employer market. As my colleagues know, I have grave concerns about the potential impact of MSAs. But I believe this proposal is fair and limited, and contains protections sufficient to guard against adverse risk selection. It was offered in good faith and goes a long way toward meeting concerns raised by the President. In fact, it goes well beyond the agreement I reached earlier with many Republicans in the House and Senate conference.

As part of this agreement:

Republicans have agreed to reduce the scope of the 4-year demonstration program to firms with 50 employees or less, and to require an affirmative vote to expand MSA's to large employers and individuals. That is a significant concession.

The Joint Committee on Taxation estimates that MSA's will be available during this 4-year demonstration to less than 1 percent of the total work force and slightly more than 1 percent of the work force with insurance.

Equally important, reducing the size of the demonstration to firms with 50 workers or less will help guard against risk selection because the underlying bill extends guaranteed issue and renewal requirements to firms with 50 or fewer workers. Moreover, this is the portion of the insurance market where the States have worked aggressively to protect consumers and guard against risk selection.

The proposal contains a fire process for assessing the impact of MSA's by an independent, nonpartisan organization. In addition, the Secretary of the Treasury is required to annually monitor the MSA's impact on the market and report to Congress as to whether the legislation is necessary to reduce costs due to excessive enrollment.

Finally, Republicans have agreed to reduce further individuals' out-of-pocket exposure by lowering the maximum MSA deductible and requiring MSA plans to cover at least 70 percent of covered services once an individual reaches the deductible. We also have agreed to further reduce the tax advantages of MSA's by limiting annual contributions.

Moreover, high-deductible plans must meet disclosure requirements, and the National Association of Insurance Commissioners is directed to promulgate further consumer protection standards.

Mr. President, despite significant concessions, I believe, on the part of Republicans, however, the White House and congressional Democrats continue to raise new demands and to insist that high-deductible MSA policies meet nondiscrimination and consumer protection standards well beyond current

law requirements for other health insurance plans and even well beyond the reforms contained in the underlying legislation.

The Health Insurance Reform Act will pass, Mr. President, only if we keep our eye on the ball.

First, we need to recognize that success always requires compromise. The House has conceded on malpractice reforms, has conceded on MEWA's and now receded significantly on the MSA's.

Second, we need to bear in mind that the legislation will help 25 million Americans each year, and that the positive impact of the bill's core reforms will far outweigh any potential harm from the limited medical savings account proposal that has been offered by Republicans last night.

I believe we have worked too long and too hard in a bipartisan fashion to let this historic opportunity to pass meaningful health reform pass us by. I hope we can come together in the next few days. I think it is absolutely essential that we not let time slip away. And I hope that the White House and the Democratic leadership will genuinely help us reach that goal.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to speak for 6 minutes as if in morning business.

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

#### FEDERAL DROUGHT ASSISTANCE IN THE SOUTHWEST

Mr. DOMENICI. Mr. President, I wish to bring a very serious matter to the attention of my colleagues.

As has been reported by several Senators, there is a serious drought underway in the Southwest, and I believe my State of New Mexico is probably the most seriously affected because it is suffering a very severe drought, almost in its entirety.

As my colleague from New Mexico, Senator BINGAMAN, has stated on at least two occasions on the Senate floor in the last month, livestock producers are among the most devastated by these drought conditions. Today, I would like to inform the Senate of the current status of one of the relief options that several of us have been pursuing: the Emergency Feed Grain Reserve.

It involves a small portion of grain reserves held by the U.S. Department of Agriculture, known as the Emergency Feed Grain Reserve. Under this program, the Secretary of Agriculture is authorized to purchase and store up to 75 million bushels of grains to be held in reserve for emergency or disaster situations.

Currently, the Department reports that there are about 45 million bushels of grain stored under this program. In

the event of an emergency, the Secretary of Agriculture has a great deal of flexibility in how these reserve grains are to be used.

On June 5, the Senate passed a concurrent resolution, Senate Concurrent Resolution 63, which called on the Secretary of Agriculture to release all grains held in the emergency reserve to provide relief for livestock producers whose livelihoods are threatened by this natural disaster. In fact, the distinguished Senator from Kansas, Mrs. KASSEBAUM, who just spoke, was the lead Senator on that concurrent resolution.

There has been no response.

Again, on June 12, the Senate called on the Secretary to act under the authority of this program by passing two resolutions, Senate Resolution 259 and Senate Resolution 260. These two resolutions called on the Secretary to use the most efficient methods of providing relief under this program, including cash payments generated by receipts from the sale of reserve grains and to give special consideration to those producers who could not receive assistance under any other program.

There was no response.

Let me put the amount of the grain reserve into perspective. As I stated earlier, there are about 45 million bushels of grain in this emergency relief reserve. Reuters news service reported this morning that the average price of corn during the month of June has been slightly more than \$4 a bushel, barley was slightly lower, and wheat was considerably higher, at well over \$5 a bushel.

Even if the Secretary were to sell the emergency reserve stocks at a discount to provide relief in areas of severe grain shortages, there could easily be generated \$100 million to provide relief in those areas where other forms of livestock feed, such as hay, are more needed. This is far greater than the \$18 million that Senator BINGAMAN and I have attempted to provide legislatively through a modest but needed temporary extension of the only relief program for many livestock producers in the Southwest, the Emergency Livestock Feed Program.

Secretary of Agriculture Glickman has a proposal. Earlier this week, I wrote to Secretary Glickman to inquire about the status of various plans or proposals to provide relief for livestock producers in the drought-stricken Southwest.

I also spoke with the Secretary's office by phone and asked what, if anything, else was required for the release of the emergency reserve grains. I was informed that the Agriculture Department had submitted a proposal to the White House some time ago regarding the release of reserve grains for the purpose of this disaster relief but that it had not yet been approved.

I have since been informed that the U.S. Department of Agriculture proposal was sent to the White House on June 4, 1 day before the Senate called

on the Secretary to act. It has been 24 days, Mr. President—it has been 24 days—since Secretary Glickman proposed disaster relief activities to the White House.

There has been no action.

We cannot wait. These ranchers are going broke. When we have an earthquake, we act quickly. This drought is resulting in a gradual elimination of farmers and ranchers who cannot make a living in this drought, which is arguably the worst in 100 years.

When there is a flood, an earthquake, as I indicated, a hurricane, this administration and this Senate prides itself on the responsiveness of its agencies, whether it be FEMA or any other, to the needs of the affected area, and we vote in the Senate for that kind of relief even if it is not our area. We have done that historically, and, God forbid, we stop doing that. It is absolutely our responsibility to help a State with serious problems, and we have that in New Mexico.

The disaster relief that I am addressing today could have begun weeks ago by administrative action, and still there is no response. Farmers and ranchers in my home State of New Mexico and in parts of Arizona, Colorado and Texas, are losing their means of livelihood by having to sell large numbers of their cattle at rock bottom prices to survive. Some have been dealing with these drought conditions for over 3 years, but this year over three-fourths of my State is currently under what is called severe drought, according to the National Oceanographic and Atmospheric Administration. I believe it is time for the President and the White House to approve the plan submitted by the U.S. Department of Agriculture. The time is past. It should be done now.

Since there has been no response to my inquiries other than, "We are working on it," I hope that perhaps what I am saying to the Senate here on the floor will bring some action. It is not as if we are asking for billions of dollars, but it ought to be done. I hope the White House will respond quickly.

If there are other things we must do in Congress, I hope they will tell us. I believe the Senate would respond, if we have to change something legislatively to provide assistance to one group of New Mexicans, or another. We may be here in the next few weeks, asking for some extraordinary help. The drought is causing wells to dry up, and water sources to disappear. We are having to move water around in the State to accommodate the various needs. Clearly we may need some extraordinary relief. Today what we are asking for is simple, it is forthright, and it ought to be done.

I thank the Senate for giving me this time and I yield the floor.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.