

By Mr. BINGAMAN (for himself and Mr. JEFFORDS):

S. 1922. A bill to amend the Employee Retirement Income Security Act of 1974 to establish a Pension ProSave system which improves the retirement income security of millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Finance.

S. 1923. A bill to establish a Pension ProSave system which improves the retirement income security of millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S. 1924. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel DAMN YANKEE; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON (for himself, Mr. COATS, Mr. HATCH, Mr. FAIRCLOTH, Mr. WARNER, Mr. GREGG, Mr. FRIST, Mr. COCHRAN, Mr. LOTT, Mrs. KASSEBAUM, Mr. KYL, Mr. MACK, Mr. NICKLES, and Mr. PRESSLER):

S. 1925. A bill to amend the National Labor Relations Act to protect employer rights, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. COCHRAN (for himself and Mr. SPECTER):

S. 1926. A bill to provide for the integrity of the medicare program under title XVIII of the Social Security Act, and for other purposes; to the Committee on Finance.

By Mrs. BOXER:

S. 1927. A bill to prohibit 401(k) plans from investing in collectibles and to require certain 401(k) plans to provide to participants annual, detailed reports on the investments made by such plans; to the Committee on Finance.

By Mr. LEVIN:

S. 1928. A bill to amend the Internal Revenue Code of 1986 to eliminate tax incentives for exporting jobs outside of the United States, and for other purposes; to the Committee on Finance.

By Mr. WELLSTONE:

S. 1929. A bill to extend the authority for the Homeless Veterans' Reintegration Projects for fiscal years 1997 through 1999, and for other purposes; to the Committee on Veterans Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWN:

S. Res. 275. Resolution to express the sense of the Senate concerning Afghanistan; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself and Mr. JEFFORDS):

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half of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Finance.

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THE PENSION PRO-SAVE ACT

Mr. BINGAMAN. Mr. President, I appreciate very much the chance to speak, address the Senate today on the very important issue of retirement security. The Senator from Vermont, Senator JEFFORDS, and myself are introducing today two bills. I will just read the title for people so that they will get an idea what these bills will do:

To establish a Pension ProSave system that improves retirement income security for millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law.

Mr. President, before I describe our proposal, let me describe the problem, because I think the problem we are attempting to confront is severe, is serious, and affects many of us in this country. This first chart I have here describes the problem very well. This is a chart with the title, "More Than 50 Million Workers Are Not Earning A Pension."

This pie chart shows that over half of the private sector workers in this country today, 50.8 million people, as of April 1993, so I am sure it is even larger now, but over 50 million people are not covered by any kind of pension. This, of course, is separate from Social Security, which is not a pension program. But as regards any other type of pension, more than half of our workers are not covered today.

Let me show another chart that sort of breaks this down by State and shows the problem as it exists from State to State. You can see the percentages. This chart shows on a map here the percentage of people covered by some type of pension plan in each of our States. People might ask, why is a Senator from New Mexico even interested in this issue? I can tell you why. When you look at New Mexico, we have the lowest percentage of our workers covered by pensions of any State in the Union; 29 percent of our private sector employees in New Mexico actually have some degree of pension coverage.

Let me show another chart here, which tries to make the same point somewhat differently and just shows the percentage of workers who do not have coverage: "State Differences In Pension Coverage." Starting from the top, the State with the largest percentage of workers not covered is New Mexico, with 71 percent; next Louisiana, 69

percent; then Nevada, 67 percent; and on down the list.

I see my friend from North Dakota on the floor. In his State, 61 percent of the people in that State do not have any pension coverage. So this is a serious, serious problem.

The final chart I will show is a chart to make the point that the problem is not getting better or getting solved. In fact, it is getting worse. This shows two different figures here, first the figure for 1979 and then the figure for 1989. The red is the percentage of coverage that existed in 1979, the yellow is the percentage of coverage that existed 10 years later, in 1989, for different groups in our society depending upon the extent of the education they have received.

We can see for those with less than a high school education, in 1979, 44 percent of those people were covered; in 1989, 28 percent. And on and on down through the list. Again, it is clear that our Nation has a severe problem to confront.

Second, it is clear the problem is getting worse. The reasons for inadequate pension coverage are what we need to focus on. I believe there are four key reasons why so many of our citizens have no pension coverage.

First, present law does not provide adequate incentives for employers to contribute to a pension plan for themselves and their employees. Many of our small businesses, the vast majority of our small businesses, do not contribute at the present time because those incentives are not there.

A second reason is that, in addition to inadequate incentives, present law imposes significant administrative duties on employers who wish to assist in providing pension coverage.

A third reason is that the rapid pace of job change, combined with significant waiting periods before retirement benefits vest, results in many employees losing their rights to retirement benefits when they move from job to job.

The fourth reason is that present law greatly limits the amount of pretax savings that a person can achieve unless his or her employer does take on this administrative duty of establishing a pension plan.

Let me describe briefly the proposal that Senator JEFFORDS and I are putting before the Senate today and are having referred to committee. This Pension ProSave proposal seeks to increase the number of Americans with some level of pension benefits by curing the deficiencies that are presently in the law. First, it provides an additional tax incentive to an employer if he or she commits an amount equal to at least 1 percent of each employee's salary to a pension for all employees. The maximum amount each year that an employer may contribute for each employee would be \$5,000.

A second way we are trying to correct deficiencies is that the administrative duties on the employer wishing to participate in this Pension ProSave proposal are kept to an absolute minimum. Employers are given the flexibility to increase the amount of the contribution to the pension plan or to suspend payments entirely for a single year, if that is necessary because of economic hardship in the business. The employer participating in Pension ProSave is free of any future pension obligations to employees once those employees leave the job. That is a very important benefit to employers, as we see it.

A third way we are trying to correct deficiencies is that the employee will become eligible to accrue pension benefits whenever those pension benefits are made by the employer. If the employer wants to participate in Pension ProSave, the employer would have to go ahead and make contributions for each employee once the employee has been employed for 6 months. But those payments would vest immediately once they were made into the ProSave account of the employee.

When an employee not covered by Pension ProSave leaves a job where benefits have accrued, that employee would have the right to direct the employer to transfer the cash equivalent of accrued pension benefits to an account in the name of the employee and the Pension Portability Clearinghouse which we are establishing under this act.

Under Pension ProSave, an employee may save additional pretax dollars for his or her own retirement in the amount twice what the employer contributes each year, to a maximum of \$5,000, whichever is less. Amounts employees are permitted to save are in addition to what might be saved in an IRA or some other pension plan.

To accomplish this set of objectives, we are proposing to establish a non-profit, private corporation chartered by an act of Congress, which would be designated the Pension Portability Clearinghouse, to administer the Pension ProSave system. The corporation would be governed by a board, the members of which would be appointed by the President, with the advice and consent of the Senate.

Payments into the clearinghouse would occur, first, when an employee who has chosen to participate in Pension ProSave makes a payment to the account of an employee;

Second, when an employee makes a payment, as permitted, which could be up to twice what the employer has made that same year;

And third, as I indicated before, when an employer who does not participate at the direction of the employee transfers cash payments to a Pension ProSave account when the employee leaves that employer's company.

There are some similarities in what we are proposing to the TIAA-CREF model, with which many people are fa-

miliar. TIAA-CREF is the largest pension plan for administration of pension benefits that currently exists in this country, and I believe in the world. TIAA-CREF, originally established by Andrew Carnegie to help those teaching in universities to have pension coverage when moving from one educational institution to another, currently manages more than \$136 billion for approximately 1.7 million participants at more than 5,500 institutions.

The similarities between the Pension Portability Clearinghouse and TIAA-CREF are that we would have central administration of accounts for multiple employers.

Also, we would provide the ability of employees and employers to use the mechanism of Pension ProSave accounts if they chose to.

We differ from TIAA-CREF in several significant ways also. First of all, Pension ProSave would be open to all employers, not just to those in a particular industry or particular field. TIAA-CREF, for example, is limited just to those involved with higher education or research.

Pension ProSave is limited strictly to maintaining records of account balances and not to managing funds or selling annuities. Again, that would be a significant difference between what we are proposing and TIAA-CREF.

We also have some similarities in this proposal to the Federal thrift savings plan in that we do provide a means to establish a retirement account and to add to it as a person proceeds through their career.

We differ from the thrift savings plan in obvious ways also in that we have designed Pension ProSave for contributions to retirement savings even as a person moves from job to job. The thrift savings plan, of course, is limited to Federal employees, people working for a single employer.

Pension ProSave provides for immediate vesting of employee contributions. The thrift savings plan for Federal workers does not.

Pension ProSave does not have any requirement on employers to match contributions by employees as the thrift savings plan does.

So what we are proposing is not a carbon copy of TIAA-CREF; it is not a carbon copy of the Federal thrift savings plan either. Instead, it is a new mechanism which employers could choose to take advantage of or not, as they see fit. For those who do choose to participate, it provides a hassle-free way for the employer and the employee to save more pretax dollars for retirement.

There is one other feature of Pension ProSave that I want to highlight, and that is the opportunity it provides for employers to engage in profit sharing with their employees. Suppose, for example, that I am a small business owner and I am not sure from one year to the next how well or how poorly my business will do. Under Pension ProSave, I would have the option of

setting up Pension ProSave accounts for each employee by committing to contribute as little as 1 percent of their salary into those accounts each time I issue a paycheck to them.

By making that 1 percent contribution, I give each employee the opportunity to contribute an additional 2 percent from their own resources. But if I do contribute the 1 percent each pay period from January, say, through December and then decide that it has been a very good year for my business and I want to share some of the profit with employees, I could increase that contribution into Pension ProSave for my employees to 2 percent or to 5 percent, as long as I did not exceed the \$5,000 total limit per employee.

This proposal does provide a hassle-free way to save pretax dollars for retirement, a hassle-free way to participate with profit sharing programs for employees. It promotes savings. It will help more people to reach retirement with pensions. It will help to buffer individuals against the turbulence of this economy we live in. It will provide more employers with a good vehicle for profit sharing. All of those are major benefits to our Nation.

Mr. President, one cause of the extraordinary economic anxiety in our Nation is related to the eroding sense of financial security at retirement. A recent study of worker's views of their present and future economic circumstances found that most people believe that despite the twists, turns, and pitfalls in our rapidly changing economy, that they can chart a successful course to retirement. But their anxiety levels were extremely high when concerns about the solvency of Social Security and about the great number of Americans without pension benefits were mentioned.

Americans include retirement security in their personal strategies for economic success. I believe that America is calling for a credible proposal that will get more of our Citizens covered by some kind of pensions.

There is no doubt that increasing retirement savings will help bolster national savings, which will help spur more long-term investment and economic growth. I urge my colleagues to review this proposal which Senator JEFFORDS and I are offering and join us in this effort to improve retirement security for many millions of Americans.

Mr. JEFFORDS. Mr. President, the problem of retirement security is an ever mounting challenge to the future welfare of our Nation. More than 51 million Americans are not covered by any kind of pension plan. The aging of the baby boom generation will dramatically increase the retired population in proportion to the working population early in the next century.

Our Nation is facing certain crisis if we fail to take steps to correct this problem of people working until retirement—and finding that their Social Security benefits fail to maintain adequate and acceptable living standards.

Despite the proliferation of retirement products in various forms of IRA's and 401(k) plans, patterns clearly show that those who earn enough to save probably do. Our problem is that over the last 15 years, we have had no increase in the percentage of our workforce that is participating in a qualified pension program.

Mr. President, in order to ensure that this Congress does face the issue of retirement security for all working Americans and not just the fortunate minority who are saving, I am introducing with my colleague, Senator BINGAMAN, the Retirement Security for All Americans Pension Pro-Save Act.

The bill we are introducing outlines a concept for pension expansion and portability that has been discussed in this Chamber several times over the last several decades but which has not evolved until now as legislation. The Pension ProSave System would improve the retirement income security of millions of working Americans by encouraging employees to make contributions on their behalf, by facilitating pension portability, by preserving and significantly increasing retirement savings and by simplifying pension law.

Despite 17 years of availability of simplified pension plans, pension coverage remains low in the small business sector. Even when covered by a tax-advantaged pension plan, many workers cash out their own contributions made to the pension plan when they leave one job rather than roll them over into another retirement vehicle. Tax penalties unfortunately have not been entirely successful in discouraging the spending of these midcareer retirement savings disbursements. Of the \$47.9 billion in preretirement distributions made in 1990, less than 20 percent of recipients reported putting the entire distribution into another tax-qualified retirement plan.

The Pension ProSave System is modeled after the highly successful Teachers Insurance and Annuity Association-College Retirement Equity Fund (TIAA-CREF), the largest private pension system in the world with assets over \$136 billion and about 1.7 million participants at about 5,500 institutions. This proposal targets those who are working their way toward retirement—and will have little or no private pension plan to supplement their Social Security benefits. Pension Pro-Save is designed to supplement other pension vehicles and will increase pension coverage to millions of American workers, especially for those who work for small businesses.

The benefits of Pension ProSave are first, it would provide an incentive and a simple, hassle free way for employers to provide portable pension benefits to their workers. Employees could also make matching contributions to their accounts on a 2:1 basis to a maximum of \$5,000. The employer's contributions also would not exceed \$5,000. Mr. President, I want to emphasize that these

are the employee's accounts—not the Government's and not the employer's. These accounts will remain with those workers the duration of their lives.

Second, Pension ProSave would stop the leakage of retirement savings by furnishing employer's pension contributions into a portability clearinghouse. Worker's account balances would be invested and managed by private sector firms in diversified portfolios.

Mr. President, the funds contributed by an employer to the retirement security of his or her employees by way of a ProSave account will remain there and be invested at the direction of the employee until retirement. The Portability Clearinghouse will contract with investment firms to manage funds through the Clearinghouse. Investment options would include a fixed income fund, an equity fund, a Government securities fund, small business capitalization fund, an international fund, and a public infrastructure fund.

Employers will have no responsibility for administering a pension fund or managing funds for employees who have left their employment. This should be very attractive to businesses that do not desire to carry long-term responsibilities for workers who have moved on. Employer contributions are locked into the Pension ProSave accounts until retirement, funds contributed by the employee are available to be loaned for certain purposes and under terms established by the Portability Clearinghouse Board.

Mr. President, I have no doubt that some who oppose this plan will rattle the cages and make claims that this act is nothing but more big Government, another bureaucratic institution that spreads the Government further into our lives. These claims would be wrong—and will only serve to maintain an economic reality that permits those best off in our society to take advantage and save up to \$30,000 a year with Government provided tax advantages for 401(k)s and other employer sponsored private pension plans. Government does have an important role to play because the market has failed to provide the extension of pension coverage to 51 million Americans.

It is unacceptable that workers who don't have an employer provided pension plan—can only save \$2,000 a year in IRA accounts. We must now do what we can to provide an incentive to employers to provide modest retirement security for more employees. This plan is an enabler—it creates a structure, similar in many ways to the TIAA-CREF model established at the beginning of this century by Andrew Carnegie to provide pension portability for professors and university employees moving between one higher education institution and another.

We have a responsibility not only to create a more equitable savings structure for those Americans who have the desire and wherewithal to save—but also to the many Americans who are

low-income workers who move from job to job, finding themselves with little or no private pensions to help them in their retirement years.

Pension ProSave promotes savings, helps more people reach retirement with pensions, helps buffer against the turbulence of the economy, and provides many employers with a good vehicle for profit sharing. All of these are benefits for our Nation as a whole.

Interestingly enough, any plan that succeeds in establishing more retirement security for our working population is scored as costing our country short-term tax revenue. By the year 2029, when the youngest baby boomers reach age 65, more than 68 million persons will be older than 65—accounting for more than 20 percent of the U.S. population, compared to just 12 percent today. As a result, the ratio of workers contributing to Social Security will fall to two workers for every retiree. Rising Medicare and long-term care costs add even more to the savings retirees will need.

Mr. President, I ask you and my other colleagues in this Chamber to stop thinking in the short term and not wait until the baby boomers begin to retire. If we do not begin to find the way to increase the ability of private employers and individuals to finance retirement needs the cost to our country will be much greater than revenue loses. Establishing Pension ProSave accounts is an investment that will help our Nation avoid a social train wreck that is just waiting to happen.

By Mr. STEVENS:

S. 1924. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Damn Yankee*; to the Committee on Commerce, Science, and Transportation.

JONES ACT WAIVER LEGISLATION

• Mr. STEVENS. Mr. President, today I am introducing a bill to provide a certificate of documentation for the vessel *Damn Yankee*.

The *Damn Yankee* (vessel number 263611) is a 40 foot vessel owned by David Guthert of Juneau, AK. It was built in Bellingham, WA, in 1952. Because of a gap in the ownership records of this vessel, it has been determined to be ineligible for documentation under the Jones Act. Mr. Guthert plans on using the boat for charter purposes.

I ask for unanimous consent that this bill be printed in the RECORD.

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

S. 1924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 (App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsements for employment in the coastwise trade for the vessel DAMN YANKEE (vessel number 263611).•

By Mr. GORTON (for himself, Mr. COATS, Mr. HATCH, Mr. FAIRCLOTH, Mr. WARNER, Mr. GREGG, Mr. FRIST, Mr. COCHRAN, Mr. LOTT, Mrs. KASSEBAUM, Mr. KYL, Mr. MACK, Mr. PRESSLER, and Mr. NICKLES):

S. 1925. A bill to amend the National Labor Relations Act to protect employer rights, and for other purposes; to the Committee on Labor and Human Resources.

THE TRUTH IN EMPLOYMENT ACT OF 1996

• Mr. GORTON. Mr. President, I am pleased today to join with Senators COATS, HATCH, FAIRCLOTH, WARNER, GREGG, FRIST, COCHRAN, LOTT, KASSEBAUM, KYL, MACK, PRESSLER, and NICKLES to introduce an important piece of legislation designed to alleviate an unfair practice affecting thousands of businesses in my home State of Washington and across the country. It is the Truth in Employment Act of 1996, which will curb the abuses of the union organizing tactic known as salting.

Salting, Mr. President, occurs when unions send paid, professional organizers and union members into non-union workplaces under the guise of seeking employment. The unions' avowed purpose in these salting programs is to harass the company, its employees, and to disrupt the jobsite until the company is either financially devastated or joins the union, whichever comes first. The key problem is that unions have trained their agents to use and abuse the procedures of the National Labor Relations Board as an offensive weapon against nonunion employers, largely by filing frivolous unfair labor practice charges.

This fall, in *Town & Country*, the Supreme Court ruled that paid, professional union organizers are "employees" within the meaning of the National Labor Relations Act. Under the broad interpretations of the National Labor Relations Act, provisions prohibit employers from discriminating against employees because of other union interests or activities. This places employers, most of them small, mom-and-pop businesses, in a disastrous Catch-22: if they hire the union salts, they are subjected to outrageous internal harassment, but if they do not hire them, the salts cry discrimination and file frivolous charges. Employers are forced to make decisions about hiring, which may threaten the very existence of their businesses. Naturally, these businesses are concerned that the Supreme Court's ruling gives the unions carte blanche to use organizing techniques such as salting.

I continue to hear from small businesses from across my home State on this issue. In Snohomish county, a mid-sized mechanical subcontractor has employed over 70 union members over the years to work side-by-side with nonunion employees pursuant to project agreements. Despite this, the operating engineer's union carries out a classic salting campaign involving 14 union applicants, one of whom is a

business agent. When none of the applicants are hired, the union files unfair labor practice charges. Despite the employer's history of employing union members pursuant to project agreements, the NLRB's regional office finds sufficient merit to issue a complaint and proceed to a hearing. After spending \$21,000 in attorneys fees, they settled for \$10,500.

Mr. President, this is just one example of the devastating economic effect salting has had on small businesses in my State. Small businesses are the backbone of our economy, providing jobs to millions of people. Understandably, this has become a serious issue for thousands of businesses across the country. Trying to defend themselves against frivolous discrimination charges, employers must incur tens of thousands of dollars in legal expenses, delays, and lost hours—time and resources, which could be better spent expanding businesses and creating economic opportunity in local communities.

The Truth in Employment Act will amend the National Labor Relations Act by adding a provision that establishes that an employer is not required to hire a person seeking employment whose primary purpose is to represent a union in an organizational struggle. Under this bill employees will continue to be afforded their right to organize and engage in the activities protected under the National Labor Relations Act. It is in no way the intent of this bill to infringe upon those rights or protections. Employers will continue to be prohibited from discriminating on the basis of union membership or activism. The bill, however, curb the abuses of salting. Abuses that have caused one constituent in my State to declare bankruptcy, one to agree to sign a union agreement because he "was too old to go through the harassment again," one who is afraid to hire more employees, one who has in excess of \$100,000 in legal fees and another who just "got off easy" with \$40,000 in legal fees. These are not large firms, Mr. President, they are family-run businesses.

That is the issue, Mr. President, and that is why I am introducing the Truth in Employment Act. I encourage my colleagues to help me pass this bill and restore fairness to our small businesses. •

• Mrs. KASSEBAUM. Mr. President, I am pleased to join Senator SLADE GORTON, who is my colleague on the Senate Committee on Labor and Human Resources, as a cosponsor of his bill, the Truth in Employment Act of 1996. This legislation addresses an issue known as salting.

Over the last few years, professional union organizers, known as salts, have attempted to gain access to private property for organizing purposes. Sometimes, supervisors refuse to provide access to the property. Other times, if organizers gain access to the property, they have destroyed equipment and been disruptive.

Whether or not the organizers gain access to the property, they five numerous charges with the National Labor Relations Board [NLRB], knowing that the cost of defending such groundless charges ultimately must be borne by the employer. This process, known as salting, is an abuse of our system and is nothing less than outright harassment.

Our Federal labor law protects the right of workers to organize a union. It does not and it should not protect unions as they attempt to use our Federal agencies to harass companies.

I recognize at this late date in our legislative session that this bill has little chance of becoming law in 1996. I also understand that concerns had been raised over how to address the salting problem through legislation. Because this is an important issue, though, we need to move forward by introducing a bill. I hope that through the process of hearings in our committee, we will find an acceptable legislative solution that all parties can accept. •

By Mr. COCHRAN (for himself and Mr. SPECTER):

S. 1926. A bill to provide for the integrity of the Medicare Program under title XVIII of the Social Security Act, and for other purposes; to the Committee on Finance.

THE MEDICARE EMERGENCY PROTECTION ACT OF 1996

• Mr. COCHRAN. Mr. President, earlier this month, the Medicare trustees released their 1996 annual report on the fiscal solvency of the Medicare trust fund. The bottom line is that the Medicare trust fund is going broke. And it is going broke sooner than we had been told.

Last year's report revealed Medicare's deteriorating financial condition, but it was optimistic compared to the report released earlier this month. This month's report predicted the program will be bankrupt just 5 years from now—possibly running out of money as early as calendar year 2000.

This means by that time, there will be no funds available to pay for the hospital care for our Nation's senior citizens.

Last year, Congress passed and sent to the President a balanced set of reforms which would have kept Medicare solvent through the next generation while still increasing spending per beneficiary from \$4,800 per year to more than \$7,100 per year. It also offered seniors more choices and included incentives to combat fraud and abuse.

Unfortunately, President Clinton vetoed the Medicare Preservation Act, which was included as a part of the Balanced Budget Act.

Because I am tired of the partisan conflict on this issue, I am introducing the Medicare Emergency Protection Act of 1996, which incorporates the President's Medicare cuts. If the President will not approve our Republican proposal for reform of the Medicare program, I suggest we pass the President's bill. We cannot allow partisan

bickering and political grandstanding to prevent the resolution of this crisis. The American people are fed up with this kind of politics with the gridlock on this issue. It is like Nero playing his fiddle while Rome burned.

I am fed up with this stalemate too. I suggest we adopt the short-term changes recommended by the President which cut the costs of the program and create the commission to recommend the long-term changes to save Medicare.

My bill has two parts. The first part incorporates the President's proposed cuts in Medicare. But it excludes his accounting gimmick which would transfer the costs of home health care from the Hospital Insurance Program to the Supplemental Medical Insurance Program. While this transfer would extend the technical solvency of the trust fund, it would shift billions of dollars in additional costs to the general taxpayer.

The second part of this legislation creates a commission similar to the National Commission on Social Security Reform. As some of my colleagues will recall, that Commission was established by President Reagan and the Congress in 1981. The Commission suggested reforms which will maintain the fiscal solvency of the Social Security trust fund until sometime after the year 2025.

Last year, Majority Leader Dole and Speaker GINGRICH proposed a similar commission to address the fiscal insolvency of the Medicare trust fund. Unfortunately, the Clinton administration rejected that proposal.

However, in their recent report, the Medicare trustees, which include three members of President Clinton's Cabinet, themselves proposed the establishment of a commission.

Now, there is obvious bipartisan support for this proposal. The National Commission on Medicare Reform will have 1 year to consider options for reform to secure the long-term fiscal solvency of the Medicare trust fund. Once the members of the Commission have settled on a set of reforms, the President will review the proposal. If he approved it, he will submit the proposal to the Congress. Under expedited procedures, the House of Representatives and the Senate will consider it and, without amendment, vote up or down to approve or reject the reforms.

I urge my colleagues to approve this legislation. Each day that passes makes the eventual solutions more difficult to achieve.

I ask unanimous consent that copies of the statement I made on this subject in the Senate on June 6 and 7 be printed in the RECORD.

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

[From the Congressional Record, June 6, 1996]

MEDICARE INSOLVENCY

Mr. COCHRAN. Mr. President, this afternoon, we had a interesting hearing in the subcommittee for appropriations which is

chaired by the distinguished Senator from Pennsylvania [Mr. SPECTER]. The witness was the Secretary of Health and Human Services, Secretary Shalala. We were examining the budget request being submitted by the administration for appropriations to operate the Department of the Government for the next fiscal year than begins October 1.

Secretary Shalala happens to be in another capacity a trustee of this group who have the responsibility of monitoring the trust fund that supports the benefits paid out under the Medicare Program. Since that group of trustees had just made their report public yesterday at the news conference which we all read and heard about, that subject came up.

It occurred to me, since there was before the general public a suggestion by the President that he had made recommendations that were almost identical with the Republican suggestion about how to protect the benefits of this Medicare Program and how to deal with this impending insolvency of that fund, it occurs to me that we are going to see more of the same kind of political shenanigans from now until the end of this year, with nothing being done unless somebody is ready to say, "OK, we will go along with your proposal."

The President can say that to the Congress, or we can say that to the President. I am prepared at this point to suggest, in a serious way, and said this to Secretary Shalala at the hearing, the Congress accept the President's suggestions. We can pass the suggested changes for short-term relief of pressure on that fund, but at the same time appoint a commission which is also called for by the President and the trustees in their report to propose long-term changes, changes to affect the long-term insolvency problems of the trust fund, and that the Congress, through its leaders and the President himself, agree to implement the recommendations of that commission for long-term changes.

It seems to me that is one way to resolve this as a part of this argument over whether Republicans are trying to cut taxes, to impose changes on Medicare beneficiaries as a part of a budget balancing act. We already, in the Congress, submitted to the President proposals to rescue the Medicare Program. That was a part of the Balanced Budget Act which the President vetoed. He has already rejected what Congress has suggested. After weeks and weeks of negotiations with leaders of the Congress and the President at the White House, all we got out of it were some photo ops, some political posturing, partisan sniping. We have had enough of that. The American people are fed up with that kind of politics. That is not the way to run the Government. I am tired of it.

I have recommended and seriously urge this Congress to accept the recommendation of the President—not the one, of course, that says that home health care ought to be paid for out of the general Treasury; I am talking about changes that will reduce the costs of the program in a way that saves the program from insolvency—they recommended last year that we had to act before the year 2002, that we were going to see an insolvency, there would be a bankrupted fund, in effect.

Now, the report this year is worse than that. The year before it was going insolvent. Under the last report, it is going to lose \$33 billion, and the following year \$100 billion. Contrary to what the junior Senator from West Virginia said, that this is a Republican-manufactured crisis, that is an outrageous comment. That is totally outrageous. These trustees are Democrats by and large. Secretary Rubin said it, Secretary Shalala said it is going to be insolvent, the head of the Social Security Administration was standing

there and agreed with them. That is not a group of Republicans. The Republicans are not manufacturing a crisis. The crisis is real. The crisis is now.

It is irresponsible for us to continue to sit here and listen to this kind of arguing made by Senators on the other side that this is some kind of effort by Republicans to frighten older people. I am frightened. I am not an eligible beneficiary yet. We have to act.

I want to commend the Senator from Pennsylvania for his leadership in an effort to get the Secretary to agree to recommendations to the administration, that they take a stand, put their recommendations in the form of legislation, send it to the Hill, and see if we can pass it.

MEDICARE TRUST FUND

Mr. COCHRAN. Mr. President, first, I want to commend the distinguished Senator from Georgia [Mr. COVERDELL], and those who spoke this morning on the subject of a balanced budget amendment and the unfortunate consequences of our failure to deal with the problem of the ever-increasing deficits.

We also had a few of those Senators mention, as an aside, the problem with the Medicare trust fund. I wanted to remind Senators that we had a hearing yesterday in the Appropriations Subcommittee that funds the Department of Health and Human Services, and Secretary Donna Shalala came before the committee to present the President's proposed budget for that Department for the next fiscal year. She serves, along with others in the administration, on this panel of trustees, whose responsibility it is to monitor and help keep Congress and the administration informed about the integrity of the trust fund, and supports the Medicare Program.

The trustees, earlier this week, talked about the fact that the worst case scenario for future deficits in that program had been exceeded, and that rather than having the program go bankrupt, be hopelessly insolvent by the year 2002, it was going to be bankrupt earlier. By the year 2000, it would be out of balance by over \$30 billion, and the following year, it would be out of balance and in deficit at the figure of \$100 billion.

The consequences of this report have to wake up everybody to the realization that unless Congress and the administration quit playing politics with this issue, it is going to be insolvent. This program is going to be in jeopardy, and benefits are going to be in jeopardy as well.

I think the time has come for us to say, OK, the Republican Congress passed a balanced budget act last year. It included in that suggested reforms in the Medicare Program that would have put it in balance, would have kept it solvent, would have made some needed changes in the program to give older citizens more choices, more protection, so that their medical expenses and benefits could continue to be paid through this program.

The President vetoed the bill. He rejected the balanced budget act. So we started over again. This year, the Budget Committee is wrestling with the problem of reconciling budget resolutions, which contain projected expenditures under this program, as well as all other Federal programs, with an effort to continue to build toward a balanced budget plan as soon as possible. Their projection is the year 2002.

What I am going to suggest is that, in this politically charged environment of Presidential politics and campaigns for House and Senate seats underway—and we have to admit it—it is unlikely that this administration is going to change its mind and embrace the Republican proposals. And so we have to acknowledge that.

The President, at the same time, has made a counteroffer, as I understand it, and has proposed some changes in the Medicare Program, which would achieve savings of \$116 billion over the same period of time. The Republican proposals would have achieved savings of almost \$170 billion.

Let us say, OK, Mr. President, have it your way for the short term. Let us introduce the President's proposed changes in the Medicare Program. Let us accept his proposals for changes and cuts in the Medicare Program and enact them next week, or the week following. If the reconciliation bill from the Budget Committee's resolution is vetoed by the President or not supported by the Democrats in that area of the budget, let us isolate the Medicare Program changes and enact some changes.

I suggest, let us enact the President's proposed changes and cuts in the program and, at the same time, establish a commission—which the President has recommended, the trustees have recommended in their report, including Secretary Shalala, Secretary Reich, Secretary Rubin, and others, who serve on that trustee panel—to recommend long-term changes in the Medicare Program that would ensure its solvency and protect the benefits for the older citizens in our society over the long term.

I do not see anything wrong with that. As a matter of fact, I have been suggesting that that be considered as an alternative. If Congress and the President cannot agree on what changes ought to be made, get a commission together, much like the Base Closure Commission, or the Social Security Commission, which was formed in 1983 and chaired by Alan Greenspan. It made recommendations to save the Social Security trust fund from bankruptcy, and Congress and the President agreed at that time to accept the recommendation of that commission and implement it.

That ought to be a part of this legislation—that we establish that commission, agree to implement its recommendations, and have a vote on it. If you do not want to implement them, vote no; be against everything. But we have to come to terms with the reality of the situation. The longer we wait, the harder the solution is going to be and the more sacrifices that are going to have to be made by everybody—the taxpayers. If we do not make these changes, do you know what is going to happen? Pretty soon, you are going to see the taxes on the employers and employees to fund this program being increased—and by substantial sums.

Now, the older population is getting older and, thank goodness, medical science is wonderful and it is giving us all opportunities for longer lives. But coming with that, too, are added expenses, as you get older, for medical care. Our senior citizens confront the reality every day of this terrible fear, and that is that they will not have the funds, they will not have access to the care they need to enjoy the longevity that they now have, compliments of medical science, good nutrition, and the advances that we have made for good health in our society.

So I say that it is time to stop the partisan politics. Let us quit throwing rocks at each other across the aisle, blaming each other for not getting anything done. I am prepared to say, as a Member of the Republican leadership in the Senate, OK, Mr. President, let us enact your proposal.

I am going to introduce a bill next week, and I hope there will be Senators on both sides of the aisle who will say, OK, let us go along with this suggestion as an alternative to what we have been getting. And what we have been getting is nothing—gridlock, confrontation, yelling at each other, people get-

ting red in the face, and nothing getting done.

I think the American people are fed up with that kind of politics, fed up with that kind of Government. I am fed up with it. It is time to change. We ought to do it now—before it is too late. •

By Mr. LEVIN:

S. 1928. A bill to amend the Internal Revenue Code of 1986 to eliminate tax incentives for exporting jobs outside of the United States, and for other purposes; to the Committee on Finance.

TAX INCENTIVE ELIMINATION LEGISLATION

Mr. LEVIN. Mr. President, I rise today to address the continuing loss of U.S. manufacturing jobs by introducing a bill to eliminate tax incentives for companies to export such jobs.

For too many years and in too many cases, we have seen U.S. manufacturers shut down business in the United States, lay off workers, and set up shop overseas. Although the Bureau of Labor Statistics does not maintain statistics on the export of United States jobs, we learned at a hearing of my Governmental Affairs Subcommittee 3 years ago that at least 200 United States plants had moved to Mexico alone over the previous decade.

A company's decision to move its operations overseas is usually an economic decision, based on factors like the availability of cheap labor and unregulated access to natural resources. While I wish that some U.S. companies would exercise better citizenship and recognize an ongoing responsibility to their long-time employees as well as their shareholders, I know that the Federal Government cannot force them to do so.

However, there is no reason why the U.S. taxpayers should be subsidizing companies that choose to move their operations overseas. Yet that is what we have been doing. When a U.S. company decides to shut down a plant in the United States and move its operations overseas, we reward them—through the Tax Code—for the decision.

Last year, I joined Senator DORGAN and others to introduce a bill—S. 1355—addressing one provision of the Tax Code which provides such a subsidy. The Dorgan bill would eliminate the ability of companies who move their operations overseas to defer the payment of Federal income tax on the profits from those operations.

Today, I am introducing a bill to address two more provisions of the Tax Code which provide taxpayer subsidies to companies that move their operations overseas.

First, section 162 of the Internal Revenue Code permits a deduction for "all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business." This provision has been interpreted to allow a deduction for moving expenses in the case of a company that moves part or all of its operations overseas, as long as the company continues to sell its product in the United

States and can argue that the overseas operations are related to the U.S. source income. As a result, the U.S. taxpayers are underwriting the moving expenses of companies who choose to move capital equipment previously used in U.S. operations, and the associated jobs overseas.

My bill would reverse this policy by prohibiting a company from deducting the cost of transporting capital equipment previously used in U.S. operations overseas when it is in the process of closing or downsizing U.S. plants. Because the export of such capital equipment and the associated jobs is more likely to reduce U.S.-source income than to increase it, this provision is entirely consistent with the intent of section 162 to permit the deduction of ordinary and necessary business expenses incurred in connection with such income.

Second, section 367 of the Internal Revenue Code allows a company to avoid paying capital gains taxes on its capital assets, if these assets are moved overseas and included in an active business in a corporate reorganization. Because no capital gains tax is paid at the time of the reorganization, and because the U.S. loses jurisdiction over the assets after they are shipped overseas, the company is able to avoid the tax altogether. The company is able to obtain an unwarranted tax advantage by transferring appreciated assets to a corporation that is not subject to U.S. residence jurisdiction—and the taxpayers are left paying yet another subsidy to companies that choose to move their operations overseas.

My bill would reverse this policy by eliminating the active business exception in section 367 of the Internal Revenue Code and subjecting corporate assets to the capital gains tax at the time they are transferred overseas in any reorganization.

Mr. President, some companies may still choose to overlook their responsibility as citizens and the needs of their long-timer employees by moving jobs overseas, but we should not be subsidizing such decisions.

By WELLSTONE:

S. 1929. A bill to extend the authority for the Homeless Veterans' Reintegration Projects for fiscal years 1997 through 1999, and for other purposes, to the Committee on Veterans' Affairs.

THE HOMELESS VETERANS' REINTEGRATION PROJECTS REAUTHORIZATION ACT OF 1996

• Mr. WELLSTONE. Mr. President, to save a unique, highly effective and invaluable program that assists homeless veterans to find employment, I am today introducing a bill that would reauthorize the Homeless Veterans' Reintegration Projects [HVRP] for 3 years.

This bill is identical to S. 1257 which I introduced last year after this low-cost program—funded at just over \$5 million annually—had been zeroed out in the rescissions bill. With the invaluable help of my distinguished colleague, Senator SIMPSON, chairman of

the Veterans' Affairs Committee—a committee I am proud and honored to serve on—we managed to keep HVRP alive by authorizing a 1-year extension through the end of fiscal year 1996, at the same time authorizing an expenditure of \$10 million. Unfortunately, for reasons I can't fathom, no funds were appropriated for HVRP for fiscal year 1996. While HVRP was partially revived in February 1996 when the Departments of Labor and Housing and Urban Development [HUD] each provided \$1.3 million in discretionary funds to renew and support projects in cold weather areas of the Nation, the President's budget for fiscal year 1997 contains no funding for HVRP.

I am frankly appalled and puzzled that this exceptionally cost-effective program which has done so much to help America's homeless veterans for the past 7 years, continues to face extraordinary difficulties and may not survive. The only possible explanation there is for the trials and tribulations of HVRP is that because it is such a modestly funded national program with annual appropriations ranging from \$1.366 million to \$5.055 million, it falls beneath the threshold of visibility of the Senate, which is accustomed to focusing on programs with price tags of hundreds of millions of dollars or more.

When I sought to have the Veterans' Committee accept the 3-year extension of HVRP I proposed in S. 1257, I was told that only a 1-year authorization could be approved because not enough was known about the program, but that a committee hearing would be held early this year to inform Members about the program. Unfortunately, it now appears unlikely that hearings on HVRP will be scheduled.

It is a pity that this exceptionally worthwhile program has such a low profile in this Chamber, because I'm confident that if my colleagues knew more about HVRP, there would be overwhelming support on both sides of the aisle for keeping this program alive and funded adequately.

Mr. President, permit me to describe the daunting problems HVRP seeks to address, its outstanding accomplishments, and its methods of operation.

On any given night, it has been estimated that between 250,000 and 280,000 veterans are homeless. And, as the Disabled American Veterans [DAV] testified before a House Committee, DOD projects a reduction of 250,000 active military personnel through the year 2000. DAV stressed that many "at best will have 'soft' transferable skills," particularly those trained in combat arms, concluding that while it's unknown "how many of them will end up in the unemployment or soup kitchen line * * * we believe they are at risk."

In effect we are being told that up to one-third of America's homeless are veterans and the number could well increase. Mr. President, in the face of this situation which can only be described as a national disgrace, HVRP, administered by the Labor Depart-

ment's Veterans Employment and Training Service [VETS] is the only employment assistance program dedicated to homeless veterans. And, as Preston Taylor, Assistant Secretary of Labor for Veteran Employment and Training has emphasized, unemployment, not the lack of affordable housing, is the main cause of homelessness among veterans.

Permit me to briefly list some of HVRP's strengths and accomplishments:

It is one of the most successful job placement programs in the Federal Government.

Since its inception it has placed 13,000 veterans in jobs at a cost of approximately \$1,500 per placement.

HVRP grantees build complementary relationships with VA, JTPA, and other programs—they do not duplicate any other services.

A unique aspect of HVRP is to utilize formerly homeless veterans who know how to approach and win the confidence and trust of other homeless veterans; they go into the streets, shelters, soup kitchens, and other places and tell them HVRP and other available services.

HVRP provides grants to community based groups that employ flexible and innovative approaches to assist homeless, unemployed veterans to reenter the work force. Let me repeat—grants to community-based groups, not funding to some large impersonal Federal bureaucracy that some of my colleagues like to lambaste. This is precisely the kind of low-cost, locally focused, and result-oriented program that all of my colleagues, regardless of ideology or party should be able to support without reservation.

The program is employment-focused, recognizing that homeless veterans need to become self-supporting to obtain permanent shelter. HVRP local grantees provide homeless veterans with a variety of services designed to maximize their chances of finding permanent jobs, including job counseling, resume preparation, on-the-job training, and instructions in job search techniques. The HVRP program, in collaboration with other service providers, effectively addresses the six major problems hampering homeless veterans seeking to reenter the job market: lack of transitional housing; inadequate substance abuse treatment; transportation problems; lack of job skills; depressed local labor markets; and resistance to hiring the homeless.

In conclusion I want to make two points: First that the modest sums saved by eliminating HVRP will quickly be offset by the high costs of providing public assistance to the veterans who will remain homeless due to the lack of a permanent, paying job.

Second, and more important, I was deeply moved recently by a letter I received from a disabled Vietnam veteran in Minnesota whom I'd spoken to on the phone and thanked for his service to our country. He mentioned that

he'd always felt he'd been left in Vietnam, but that after our talk he felt that he'd at last been brought home. Fortunately, there are many Vietnam veterans who feel they have now come home again. But for some Vietnam and other veterans, the only homes they know are the streets and homeless shelters. To eliminate HVRP, the one program that could give them a job and permit them to escape the miseries and indignities of hopelessness so that they too could feel that they had at last come home, would be shameful.

I urge all of my colleagues to join me in supporting this bill and ensuring that HVRP receives the funding it needs to continue its invaluable work.

Mr. President, I ask that a statement of HVRP of Ronald W. Drach, National Employment Director, DAV, before the Subcommittee on Education, Employment and Training of the Committee on Veterans' Affairs, U.S. House of Representatives, April 18, 1996, be printed in the RECORD at the conclusion of my remarks. And I ask unanimous consent that an article by Sid Daniels, Director, National Employment Service, Veterans of Foreign Wars, entitled "Sun Sets on Homeless Vets Program," appearing in the Washington Action Reporter, October 1995, also be printed in the RECORD.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITY.

(a) HOMELESS VETERANS' REINTEGRATION PROJECTS.—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

“(E) \$10,000,000 for fiscal year 1997.

“(F) \$10,000,000 for fiscal year 1998.

“(G) \$10,000,000 for fiscal year 1999.”

(b) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Section 739(a) of such Act (42 U.S.C. 11449(a)) is amended by striking out “the fiscal years 1994 and 1995” and inserting in lieu thereof “fiscal years 1994 through 1999”.

(c) EXTENSION OF PROGRAM.—Section 741 of such Act (42 U.S.C. 11450) is amended by striking out “December 31, 1997” and inserting in lieu thereof “September 30, 1999”.

EXCERPT FROM STATEMENT OF RONALD W. DRACH BEFORE THE SUBCOMMITTEE ON EDUCATION, EMPLOYMENT AND TRAINING, APRIL 18, 1996

HOMELESS VETERANS' REINTEGRATION PROJECT

Mr. Chairman, homeless veterans continue to be a major concern. On any given night, it has been estimated that between 250,000 and 280,000 veterans are homeless. Several years ago, the Department of Labor initiated an outreach project for homeless veterans in an attempt to provide needed employment and training services. This program is known as HVRP. Regrettably, funding for this program in FY 1995 was rescinded. For FY 1996, both the House and Senate authorized an expenditure of \$10 million, but the monies were never appropriated. The President's budget

for FY 1997 does not request any funding for HVRP.

Mr. Chairman, homelessness among veterans is now a chronic problem. When we testified on this issue in 1992, it was estimated that between 150,000 and 250,000 veterans were homeless on any given night. As indicated, that number now is estimated to be between 250,000 and 280,000. We mentioned earlier in this testimony that DoD projects a reduction of approximately 250,000 active military members a year through the year 2000. Many of these individuals at best will have "soft" transferable skills. Many—particularly those trained in combat arms—will have no skills recognized by employers as transferable to the civilian labor market. How many of them will end up in the unemployment or soup kitchen line is unknown, but we believe they are at risk. Last week several economic forecasters predicted an increase in inflation. This will only add to the problem.

The HVRP program has a history of providing meaningful assistance to our nation's homeless veterans. It is a program that primarily focuses on job training and employment assistance. Perhaps the most unique thing about HVRP is that a multi-disciplinary approach is taken to solving the problems of homeless veterans. It is not enough to say DVOPs or LVERs can do the job alone, because all too often the services needed cannot be provided by that individual. Because homeless veterans require very labor-intensive services, HVRP must be continued.

We would like to commend Assistant Secretary Preston Taylor at DOL for his insight into this problem. Mr. Taylor saw the need, particularly in cold weather states, and identified \$1.3 million of discretionary monies available to him through the Job Training Partnership Act (JTPA). However, before he committed those monies, he received an agreement from Assistant Secretary for Community Planning and Development Andrew Cuomo at the Department of Housing and Urban Development (HUD) for matching funds. We would like to compliment and thank Assistant Secretary Cuomo for his interest in addressing the needs of homeless veterans.

While on the subject of Assistant Secretary Cuomo, we would like to note that the DAV has been critical of HUD in the past for its lack of attention and interest in homeless veterans. However, Mr. Chairman, we are pleased to report that in addition to the \$1.3 million targeted specifically for homeless veterans, Assistant Secretary Cuomo's office has reached out to the veterans' community in an effort to communicate with veterans' service delivery systems throughout the country to make them aware of the existence of funding availability from HUD for homeless projects. Additionally, Assistant Secretary Cuomo has:

Announced the creation of the HUD Veteran Resource Center—This center is designed to provide important information about the full range of resources and initiatives available from HUD. The Resource Center can be contacted through a toll free number (1-800-998-9999, Ext. 5475, Contact: David Schultz).

Appointed a combat-disabled veteran to head the Resource Center. The first mission will be outreach to veterans' community groups as well as veterans' service organizations regarding the "1996 Homeless Assistance SuperNOFA (Notice of Funding Availability)."

Established an outreach effort to us and is providing information on events and technical assistance to those interested in applying for HUD funding. The type of outreach is unprecedented at HUD.

Agreed in February of this year to help DOL by providing \$1.3 million for HVRP.

Mr. Chairman, we believe that HUD working together with Veterans' Employment and Training Service (VETS) will make a significant difference in the lives of many homeless veterans. However, we believe that funding must be made available to continue the good work that has been accomplished thus far through HVRP. Since the program started in 1987, 30,000 homeless veterans have been helped in some way and 13,000 were actually placed in jobs.

Assistant Secretary Taylor should also be applauded for his efforts in contacting every state governor asking for their assistance to bridge the gap after the loss of HVRP funding.

SUN SETS ON HOMELESS VETS PROGRAM (By Sid Daniels, Director)

In its recent budget cutting, Congress eliminated the funding for the Homeless Veterans Reintegration Projects (HVRP) program after Sept. 30, 1995. Consequently, all 30 projects throughout the country serving homeless veterans closed down their operations on Oct. 1, 1995.

HVRP was established by the Stewart B. McKinney Homeless Assistance Act of 1987 and was administered by Labor's Veterans Employment and Training Service (VETS). The emphasis on helping homeless veterans get and retain jobs was enhanced by linking with other providers, such as veterans affairs offices and medical facilities, Job Training Partnership Act entities and social service agencies.

They offered access to benefits, substance abuse treatment, job training, transitional housing and other services needed to stabilize the homeless veteran. And they removed such barriers to employment as lack of clothing, medical care and job skills.

HVRP used veterans who had experienced homelessness themselves to reach out to homeless veterans. They went into the streets, shelters, soup kitchens, and other places to encourage homeless veterans to take advantage of available services and advised them of the HVRP program. The goal was to get homeless veterans off the street and into gainful employment, with emphasis on long-term job retention.

An important characteristic of homeless veterans, is their underutilization of existing services, benefits, and entitlements which could help them obtain employment and reintegration into mainstream society.

A unique aspect of HVRP was the use of formerly homeless veterans who knew how to approach and win the confidence and trust of other homeless veterans.

HVRP programs provided participation data and survey information, which indicated that unemployment, not lack of affordable housing, was the chief cause of homelessness.

Now, this is all gone.●

ADDITIONAL COSPONSORS

S. 607

At the request of Mr. WARNER, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 1644

At the request of Mr. BROWN, the name of the Senator from Colorado

[Mr. CAMPBELL] was added as a cosponsor of S. 1644, a bill to authorize the extension of nondiscriminatory treatment (most-favored-nation) to the products of Romania.

S. 1701

At the request of Mr. PELL, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1701, a bill to end the use of steel jaw leghold traps on animals in the United States, and for other purposes.

S. 1786

At the request of Mr. WELLSTONE, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1786, a bill to require the Secretary of Veterans Affairs and the Secretary of Health and Human Resources to carry out a demonstration project to provide the Department of Veterans Affairs with reimbursement from the medicare program for health care services provided to certain medicare-eligible veterans.

S. 1811

At the request of Mr. MACK, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1811, a bill to amend the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property" to confirm and clarify the authority and responsibility of the Secretary of the Army, acting through the Chief of Engineers, to promote and carry out shore protection projects, including beach nourishment projects, and for other purposes.

S. 1873

At the request of Mr. INHOFE, the names of the Senator from Maine [Mr. COHEN], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 1873, a bill to amend the National Environmental Education Act to extend the programs under the Act, and for other purposes.

S. 1885

At the request of Mr. INHOFE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1885, a bill to limit the liability of certain nonprofit organizations that are providers of prosthetic devices, and for other purposes.

S. 1892

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1892, a bill to reward States for collecting Medicaid funds expended on tobacco-related illnesses, and for other purposes.

S. 1899

At the request of Mr. MURKOWSKI, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1899, a bill entitled the "Mollie Beattie Alaska Wilderness Area Act".