

public faith in Government today has sunk below what it was in 1974. I should know; this lack of faith is what inspired me to seek this office in 1992. If I've learned anything in my brief career, it's this: If you give any good set of political lawyers 20 years, they will find a way to exploit even the best system to maximum personal advantage. We have to reform the campaign financing laws, and we have to do it soon.

Given the voters' unambiguous message in the 1992 election, we tried to enact significant reform in the 103d Congress. The Senate overwhelmingly passed a bipartisan bill in 1993, and the House followed suit later. As a newly elected Senator at the time, I was proud to support that bill. Unfortunately, this effort fell prey to partisan rancor in 1994, and ultimately died in a Republican filibuster in the Senate.

So here we are again, considering various reform proposals in the 104th Congress. There are two bills currently pending in the Senate that reflect my concerns about campaign reform: S. 1219, introduced by Senators McCAIN and FEINGOLD, and S. 1389, introduced by Senator FEINSTEIN.

The McCain-Feingold bill is very broad, and treats nearly every aspect of the system. It restricts Political Action Committee contributions; it imposes voluntary spending limits; it provides discounted access to broadcast media for advertising; it provides reduced rates for postage; it prohibits taxpayer-financed mass mailings on behalf of incumbents during an election year; it discourages negative advertising; it requires full disclosure of independent expenditures; and it reforms the process of soft money contributions made through political parties.

Mr. President, these are very strong, positive steps. If enacted as a package, they would make our system of electing Federal officials more open, competitive, and fair. I feel strongly that we must take such steps to reinvigorate peoples' interest in the electoral process, and in turn to restore their confidence in the system.

There are some provisions in S. 1219 that could be problematic, however. For example, the bill would require a candidate to raise 60 percent of his or her funds within the State. This might work fine for someone from New York or California. However, it could put small State candidates at a real disadvantage, particularly if their opponent is independently wealthy. The fact remains that modern Federal elections are very expensive. Therefore, I think we should review this provision of S. 1219 very carefully before making a final decision.

Mr. President, the Feinstein bill, S. 1389 is slightly different. It proposes some similar reforms, such as voluntary spending limits, free broadcast access under specified conditions, discounted media in general, and reduced postage rates. The bill also discourages

the use of personal wealth for election campaigns, and takes a hard line against negative advertising. Like the McCain-Feingold bill, these are positive steps which, as a package, could significantly improve the quality of our elections.

S. 1239 differs from S. 1219 in one respect: It does not restrict Political Action Committees. In taking this approach, the bill suggests that PAC's have a legitimate role in the process, and I am inclined to agree for two reasons. First, PAC's are fully disclosed, and subject to strict contribution limits. That means we have a very detailed paper trail from donor to candidate for everyone to see. Second, they give a voice to individual citizens like women and workers and teacher who, if not organized as a group, might not be able to make a difference in the process.

A serious question about PAC's remains, however: Do they unfairly benefit incumbents at the expense of challengers? This is a legitimate question, and one I think we should address in any final reform legislation.

Mr. President, these are not the only two bills on campaign reform pending in the Senate, but they are the two that most closely reflect my thinking. We need to reduce, or at a minimum control, the amount of campaign spending. We need to make campaigns more civil. Most of all, we need to make campaigns more fair, more competitive, and more inclusive of all citizens. I think these two bills would move us substantially in that direction.

Therefore, I am happy to announce today that I have become a cosponsor of both S. 1219 and S. 1389. S. 1219 in particular is the product of the strongest bipartisan reform effort in many years, and I commend senators McCAIN and FEINGOLD for moving the issue forward. I also commend Senator FEINSTEIN for bringing her personal experience and ideas to this issue. After two California campaigns in 2 years, she knows the flaws in the current system as well as anyone.

Mr. President, I hope real reform is enacted in 1996. The President of the United States made it very clear in his State of the Union Address the other night: This is a high personal priority for him, and he will sign a bill if we send him one. It may not be exactly these two bills, and I know there are several others on this issue currently pending. For example, the Democratic leader, Senator DASCHLE, has a bill that is very similar to the one filibustered in 1994. It will be our responsibility as legislators to find the best elements among these bills and refine them into a workable reform package.

The people in this country want to feel ownership over their elections; they want to feel like they, as individuals, have a role to play that can make a positive difference. Right now, for better or worse, not many people feel that way, and the trend is in the wrong

direction. Campaign reform isn't the silver bullet; but it is very important. I believe real campaign reform efforts by Congress would be one of the strongest, easiest steps we could take to begin restoring peoples' faith in the process.●

FEDERAL ENERGY REGULATORY COMMISSION

● Mr. MURKOWSKI. Mr. President, as part of its strategic realignment and downsizing proposal, the Department of Energy has transmitted proposed legislation to transfer the Federal Energy Regulatory Commission outside of the Department of Energy. Presently, although FERC is part of DOE, it functions as a hybrid agency, neither truly independent, nor quite a part of the executive branch.

In 1977, President Carter, in response to continuing repercussions from the 1973-74 Arab oil embargo and wintertime shortages of natural gas, proposed a reorganization of the disjointed Federal energy establishment. The purpose of the reorganization was the creation of a single agency that would possess the responsibility for coordinating all national energy matters and policy. To this end, the Carter administration proposed legislation that was to assign all of the Government's energy regulatory and policy functions to one cabinet-level Department of Energy.

Although the Carter administration's goal of creating a unitary energy agency was, to a certain extent, shared by Congress, Congress also wished to preclude executive branch control of various regulatory functions formerly performed by the Federal Power Commission, including the establishment of rates for the transportation and sale of wholesale natural gas and electricity. These two conflicting objectives resulted in the anomaly of an independent agency being established within an executive department.

Thus, although FERC is part of the Department of Energy, the power of the Secretary of Energy to influence the policies of the FERC is circumscribed. Specifically, the Department of Energy Organization Act gives the Secretary the authority to propose rules, regulations, and statements of policy of general applicability with respect to any function under the jurisdiction of the Commission. The Secretary may set reasonable time limits for action by the Commission, but the Commission has exclusive jurisdiction over, and takes final action, if any, upon, such proposals. Although limited, this authority has proven to be valuable to past administrations as they attempt to implement a coherent energy policy.

Thus, although DOE claims that its proposed legislation would make the FERC a fully independent agency, the proposed legislation retains the special authority given to the President by existing law. As a result, the proposed legislation has no practical effect. By taking the FERC off of DOE's books,

the bill would make the DOE budget appear to be smaller, but would not change the substantive relationship between DOE and FERC or save the Government money.

Because I believe the proposed legislation achieves no substantive purpose, I will not introduce this legislation. However, I acknowledge receipt of the proposed legislation and ask that its text be printed in the RECORD as part of this statement.

The text follows:

PROPOSED BILL

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Regulatory Commission Act of 1995".

SEC. 2. TRANSFER OF THE FEDERAL ENERGY REGULATORY COMMISSION.

The Federal Energy Regulatory Commission established by section 204 and title IV of the Department of Energy Organization Act (42 U.S.C. 7134, 7171-7177) is transferred outside the Department of Energy. The Commission shall continue to be an independent regulatory commission with the same organization, functions, and jurisdiction as it had prior to the effective date of this Act, except as is otherwise provided in this Act.

SEC. 3. AUTHORITY OF COMMISSION.

(a) Except as is provided in subsection (b), there are transferred to and vested in the Federal Energy Regulatory Commission all functions and authority of the Secretary of Energy and the Department of Energy under the—

- (1) Federal Power Act (16 U.S.C. 791a-825r),
- (2) Interstate Commerce Act (title 49, United States Code, App.) related to transportation of oil by pipeline,
- (3) title IV of the Natural Gas Policy Act of 1978 (15 U.S.C. 3391-3394), and
- (4) Natural Gas Act (15 U.S.C. 717-717w).

(b) The Secretary of Energy shall retain the authority—

- (1) under section 402(f) of the Department of Energy Organization Act (42 U.S.C. 7172(f));
- (2) to initiate rulemaking proceedings before the Federal Energy Regulatory Commission under section 403 of the Department of Energy Organization Act (42 U.S.C. 7173); and
- (3) to intervene as a matter of right in Federal Energy Regulatory Commission proceedings under section 405 of the Department of Energy Organization Act (42 U.S.C. 7175).

(c) After the effective date of this Act, the Federal Energy Regulatory Commission shall not exercise authority or jurisdiction under—

- (1) section 503(c) of the Department of Energy Organization Act (42 U.S.C. 7193(c)), except for a remedial order or a proposed remedial order pending before the Department or the Commission on the effective date of this Act;
- (2) subsection 402 (d) and (e) of the Department of Energy Organization Act (42 U.S.C. 7172 (d) and (e)), except for a matter pending before the Commission on the effective date of this Act, or which by that date has been assigned to the Commission with its consent under section 402(e);
- (3) section 504(b) of the Department of Energy Organization Act (42 U.S.C. 7194(b)), except for a review pending before the Commission on the effective date of this Act; or
- (4) section 404 of the Department of Energy Organization Act (42 U.S.C. 7174).

(d) Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended by—

- (1) striking "For purposes of subsection (a)," and inserting "Subsection (a) shall not apply to" and

(2) striking all that follows "trade in natural gas," and inserting "except to the extent provided by the President by Executive Order.".

(e) Notwithstanding section 401(j) of the Department of Energy Organization Act (42 U.S.C. 7171(j)), the Federal Energy Regulatory Commission shall submit budget requests and legislative recommendations directly to the Office of Management and Budget.

(f) The Inspector General for the Department of Energy shall serve as the Inspector General for the Federal Energy Regulatory Commission. The Federal Energy Regulatory Commission shall reimburse the Department of Energy Inspector General for the cost of annual audits of Commission financial statements that the Department Inspector General performs or contracts with another person to perform in the course of fulfilling the duties as Inspector General of the Commission.

SEC. 4. EFFECTIVE DATE.

This Act takes effect on October 1, 1996.●

PARAMOUNT CHIEF LETULI TOLOA, PRESIDENT OF THE SENATE OF AMERICAN SAMOA

● Mr. INOUE. Mr. President, it is my sad duty to advise my distinguished colleagues of the passing of a great friend of our Nation and a great leader of the people of American Samoa. On January 30, 1996, Paramount Chief Punefu-ole-motu Letuli Toloa peacefully passed away at his home after over four decades of public service.

Since 1989 until his untimely death, Chief Letuli Toloa served as president of the senate of American Samoa. He was a retired U.S. Coast Guardsman, after more than 20 years of service. He served as governor of his district from 1974 to 1977 and was appointed commissioner of public safety for American Samoa in 1978. In 1981, Chief Letuli Toloa became a senator from his district and 8 years later was elected by his peers to be senate president.

As a cultural and government leader, Chief Letuli Toloa did his utmost to protect the culture of American Samoa from the negative aspects of western influence and culture. This difficult task was carried out with great diplomacy. The fa'aSamoa continues to survive because of great leaders like Chief Letuli Toloa.

In addition to his distinguished government service, Chief Letuli served for many years as deacon elder for his church. He will be remembered as a kind and gentle man who was noted for his great skill as a peacemaker in his extended family, in government, in his village and in his district. Though endowed with great power, he was always humble, and never succumbed to arrogance or vanity.

I have had the pleasure of working with the son of Chief Letuli, who mirrors the many virtues and strengths of his great father.

Paramount Chief Letuli Toloa is survived by his wife, Saolotoga Savali Letuli, 6 children, and 10 grandchildren. American Samoa has lost a great leader, and America has lost a good friend.●

RURAL MANAGED CARE COOPERATIVES

● Mr. HATFIELD. Mr. President, real health care reform has eluded us the past several years and there are sectors of our population that are suffering. Today I speak of a particular segment of our society that, at least in discussions of health care, is too often overlooked—rural America. Rural communities face the unique challenge of obtaining health care in isolated areas. Economic depression, geographic isolation, an inability to retain qualified providers, and a lack of primary care facilities are a few of the barriers to quality health care in our rural and agricultural sectors. To meet this challenge, I have filed an amendment to support the development of rural managed care cooperatives—a small investment in the health of our farmers, their families and all those who make up the communities we call rural America.

There is no dispute that the economic base and the economic vitality of a given community is directly correlated to the health of the individuals who serve it. As we discuss the farm bill, under whatever guise it may be considered, we must not forget this important fact. The health of our farm industry is of the utmost importance, but it must not be separated from the health of the men and women who support it.

Cooperatives, in one form or another, have been second nature to farming communities for over a century. Whether farmers join together to form a purchasing cooperative, one of the most common types, or a marketing cooperative, the style of business has proven itself fair, efficient, and effective. Furthermore, its laws of operation translate remarkably well to sectors such as housing, service, and even rural health care.

Make no mistake. This idea of a rural health care cooperative is not new. In 1929, Elk City, OK, became home to the first health maintenance organization run by the farmers cooperative. Since then, several attempts to create rural health cooperatives have failed as a result of being unable to meet the necessary startup costs. My amendment provides this startup support.

It would allow the Secretary of Health and Human Services, acting through the Health Resources and Services Administration and the Secretary of Agriculture, acting through the Rural Business and Cooperative Development Service, to award competitive grants to those communities which wish to form a rural managed care cooperative. The purpose of the cooperative is to establish a structure and approach that will keep rural hospitals and health care systems financially sound and competitive with urban health care systems.

Especially in recent years, rural areas have found it increasingly difficult to attract the physicians and other health care providers necessary