product to America,'' you say to them, ''Why do you want to produce there?

''I want to produce there because we can hire people for pennies an hour, a dime, 12 cents, 14 cents, a quarter, or 50 cents an hour. We don't have the problem with pollution. We can pollute the air and the water. We can hire kids. We won't have OSHA looking over our shoulder because we don't have safe workplace standards, and we can just pole vault over all those things we have negotiated and fought about for 50 to 75 years in this country. We can pole vault over all of those problems as a producer and go overseas, close the U.S. manufacturing plant, hire foreign workers, have no problems on pollution, child labor and wage standards and then produce the same garage-door opener or produce the same toothbrush or produce the same vacuum cleaner and ship it to America.''

That might be good for these corporations, but it is not good for America because inevitably that means diminishing America's manufacturing base. It means moving American jobs overseas and it means injuring this country's long-term economic strength.

That is what this debate has to be about: What is in America's economic interests; what is in our country's long-term economic interest; and, what will best represent the opportunity to create new jobs and advance our country's economic interests? That is what this debate must be about.

I hope in the coming couple of weeks, on behalf of farmers and wage earners, and, yes, American businesses, we can decide we have a trade strategy that doesn't now work, that causes substantial trade deficits, and substantial amounts of American jobs leaving and moving overseas. I hope we can decide that there is a better way and a different way. My purpose is not to promote some kind of xenophobic, isolationist, protectionist strategy. It is not to put walls around our country, but to decide that the trade between us and our trading partners must be mutually productive. We must have trade between us and Japan be balanced trade. If they get their goods into our marketplace, then we have a right to demand we get our goods into theirs. The trade between us and China should be mutually beneficial; that if we have something they want, they have a responsibility to buy it from us, and not demand that we manufacture it on Chinese soil at a time when they have a $50 to $60 billion trade surplus with us or we a deficit with them. It seems to me now is the time for us to demand that.

One of the reasons that I am pleased that we are finally going to have a debate about trade is that we have not been able to have any discussion about it. This turns instantly to a thoughtless discussion—instantly—the minute you start turning to the issue of trade.

Finally, maybe in discussing fast track this will become a thoughtful discussion about what is in this country's best interests. Yes, expanded trade, but, yes, especially better trade agreements that are better for this country and trade agreements that are enforced with tough, no-nonsense standards, saying we represent the economic interests of our country—not other countries but our country.

The current trade strategy, resulting in huge recurring trade deficits, hurts rather than helps our country. Those are trade deficits we can solve by requiring that we be able to sell more goods around the world and by requiring that trade agreements be fair and enforced.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

BISHOP ROBERT CARLSON

Mr. DASCHLE. Mr. President, the people of our State, and certainly all Catholics of the Sioux Falls diocese, are keeping Bishop Robert Carlson in our hearts and prayers today.

Bishop Carlson has been a vibrant leader within our communities and the Catholic Church in South Dakota. His outreach and partnership with social, religious and civic leaders for the past 3 years have been responsible for significant accomplishment.

I join with all South Dakotans in wishing him success as he endures his operation for cancer this afternoon. We certainly hope that with all of the good will, our faith, and the many prayers that are with him at this very difficult time, he will fully recover and that we see him back in good health.

We have no doubt that he will continue to provide the kind of strong religious and social leadership for which he is so well known. After some rest and recuperation his voice and involvement will be welcome, once again, on an array of issues confronting our country and the church. I wish him well.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1997

Mr. CHAFEE. Mr. President, it is my understanding we will return to the bill.

The PRESIDING OFFICER. The Senator is correct.

The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 1173) to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Chafee/Warner Amendment No. 1312, to provide for a continuing designation of a metropolitan planning organization.

Chafee/Warner Amendment No. 1313 (to language proposed to be stricken by the committee amendment, as modified), of a perfecting nature.

Chafee/Warner Amendment No. 1314 (to Amendment No. 1313), of a perfecting nature.

Motion to recommit the bill to the Committee on Environment and Public Works, with instructions.

Lott Amendment No. 1317 (to instructions of the motion to recommit), to authorize funds for construction of highways, for highway safety programs, and for mass transit programs.

Lott Amendment No. 1318 (to Amendment No. 1317), to strike the limitation on obligations for administrative expenses.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I urge my colleagues in the Senate, if they have statements in connection with this legislation, to come over and deliver them. Now is an excellent opportunity. I do not envision a great deal else happening this afternoon. But this is an ideal chance for those who have statements or questions that they wish to pose or to discuss the bill in some substance. Now is the opportunity.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. The chairman of the committee is accurate. We all know that very often there is the tendency to wait until the last moment, and we do not get an opportunity sometimes to say what we want to say or offer amendments. Now is the opportunity to speak on the bill. Senators may have questions about the bill. This is an excellent opportunity to take advantage of that because there may not be another opportunity.

So I, first of all, encourage Senators who have an interest in one of the more important pieces of legislation, certainly one of the more expensive bills that this Congress is going to pass this year, to come on over. Tell us what you think. If you may have a problem with the bill, perhaps we can work it out. But now is the time. I urge Senators on both sides of the aisle to do so because this is an opportune time.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. It is my understanding that there would be an objection to amendments being considered. But absent that, Senators could come over and discuss amendments that they might subsequently be filing or be permitted to be considered. So there is a chance to get a lot done this afternoon if those Senators in their offices would come on over and give us the benefit of their wisdom on this matter, which we seek.

So, Mr. President, I suggest, until such occurs, the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. THOMAS. Mr. President, I came back this week after our recess very enthusiastic about moving forward on ISTEA. The people in my State are very anxious about it. It is an important issue to us, the funding of Federal highways. Our State, of course, has lots of highways and not too many people.

I must tell you I am disappointed we are not moving along a little faster on something I think is probably the highest priority that we have now before we adjourn for the fall, the funding of our Interstate Highway Program in the ISTEA. I hope we do find a way to move forward with it. It seems like it is discouraging to us, discouraging to the American people, when we find ourselves in gridlock here in the Senate, not able to do the kind of things we want to do, the kind of things that people want us to do, the kind of things that we came here to do.

In the meantime, however, I did want to give my thanks to our chairman, Senator CHAFEE, and our ranking member, Senator BAUCUS, for the work they have done to bring this bill to the floor. It is a bill that is not easy to manage, certainly, because it affects everyone.

Everyone has a little different idea of what the formula distribution ought to be. I understand that. But they have, with the support of their committee, come to this floor with a bill that is, I think, a very good bill. It is one of the things that has changed America, this idea of having an Interstate Highway System. The current ISTEA has made some important changes through the years on surface transportation, but now we are moving forward into another changing time. The President has used for several years the metaphor of a bridge to the 21st century. This is, literally, a bridge to the 21st century. This is literally a movement through our transportation system to the 21st century.

No one would argue this bill is perfect. It does not fit everybody's view of what it ought to be, but none do. This one is good and it is close. It will create some new rules of the road that I think serve the national interest and will help us to build highways and bridges to the 21st century.

First, ISTEA is what it says, a national interstate transportation system. That means that it goes clear across the country. That means a great deal to the people in Wyoming. We are what you call a bridge State. We are between the east and the west coast. We are between the heavily populated areas. Of course, to get from here to there, you have to go through Wyoming, or Kansas, either of us which is a great treat.

Interestingly enough, Wyoming taxpayers contribute more to the highway trust fund per person than any taxpayers in the country—it is because we do have lots of roads—nearly $200 per person. Yet we have, as do others, a deteriorating highway system, and roads and bridges that are, at best, in fair to poor condition.

We are not satisfying national needs, either. The U.S. Department of Transportation reports this country only invests about 70 percent of what it needs to be investing in the infrastructure to maintain it. These shortfalls hurt us all as taxpayers. What we need is a set of efficient and well-maintained roads that interconnect cities. They are as important as cities. They are a part of how we export our goods and transfer business throughout the country. ISTEA makes smooth movement of people and merchandise throughout the year.

We have a couple of areas that are difficult. One, of course, is to find the level of spending that is correct. We have, through the years, not spent as much on Federal highways as we take in in Federal highway funds, for obvious reasons. One is to help balance the budget. There will be arguments about that, and certainly we would like to spend more money, take more money out of the fund and put it into the place for which it was taxed. It will be controversial. And part of the problem is maintaining our commitment to a balanced budget. The other is the formula through which the dollars that are spent are allocated throughout the country in various States. Each of us seeks to do the best we can for our State. I understand that.

This bill, I believe, achieves a fair funding formula. It recognizes a national system. There is an area which I have special concern that I intend to raise during the course of this and that is our Federal parks. We have considered Federal lands, and in the bill they are considered, including Indian reservations, including BLM lands, and it includes forest lands. I have to tell you the one that I think stands out the most are the national parks, for several reasons.

One reason is forests and BLM get some cooperation and coordination with counties and States to help build roads in those areas, but the national parks do not. National parks are responsible for national park roads in national parks. They belong to all the people of this country. In addition, those who drive in the parks, and there are many miles there, each of them are taxed for every mile that goes into the Federal program. About 40 percent of existing parks and roads and bridges are in poor or failed condition. There is approximately $1.8 billion backlog in national park needs for roads—$1.8 billion. Yellowstone Park, the largest park in our State and indeed the country, has road needs of $250 million. It will receive only $8 million under the current law. The U.S. Department of Transportation and the National Park Service estimate that a minimum of $161 million annually should be spent on park roads.

So we take a small step toward resolving that problem. I think we need to take a larger one. I hope we will give some consideration to that. I expect to explore those opportunities.

ISTEA II as it exists, however, will streamline the program structure that we have, give State and local governments more flexibility. I think that is extremely important. This is a very diverse country. Each of our needs are much different. The needs for highway construction in Montana and Wyoming are much different than they are in New Hampshire, Florida, and New York. So we need to give to the States the flexibility to use those dollars to the best advantage.

The bill consolidates five major programs into three. I think that is useful. It is efficient. It saves money. It provides more flexibility in the safety program, and I think that is very important. It will always ensure that taxpayers get more for their fuel dollars. We need to do that.

I am very excited about ISTEA II. I think if we can get it on the floor as we should it will get great support. It is my feeling we should pass this bill through the Congress. I am not enthusiastic about the proposition of a 6-month extension. I think State highway departments need to have security and knowledge of what will happen in the future so they can make the contracts that are necessary to implement ISTEA.

I particularly thank Senators WARNER, CHAFEE, and BAUCUS for their leadership. They have done an excellent job. I intend to support the bill. Senator BAUCUS and KEMPTHORNE and I introduced earlier an ISTEA reauthorization bill, STARS 2000, and much has been incorporated into this bill. We appreciate that.

Mr. President, ISTEA II maintains the integrity of the original ISTEA law and improves it by more equitable investment in taxpayers' fees and ensures people all across the country will have access to all of the country and increases the flexibility. I urge our colleagues to step aside from all the difficulties in holding up this bill for other reasons and move forward with this. There are other things that are important, of course. This happens to be before the Senate. We ought to do it. The reauthorization has expired. We need to go forward with it. This is an excellent bill. I urge we move forward with it and approve it as it is.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Wyoming for his statement. I agree we ought to move forward. This is a bill of tremendous importance everywhere in the Nation. It affects every State. I hope we can get to it and take up the amendments and deal with them up or down and move on to completion of this legislation.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BAUCUS. Madam President, while the chairman is waiting for Senators to come over and give their views on the bill, I thought I would explain the main provisions in our bill and how the formula works so that Senators will better understand these items. If at any time a Senator wants to come over and speak, I will be more than pleased to interrupt my statement and let that Senator say whatever he or she wishes to say.

Mr. President, today we are currently operating under a 6-year ISTEA highway bill. The bill before us is a new 6-year ISTEA bill. This new bill will bring up to date some of the provisions that are in the current law. By up to date, I refer to the formulas. Believe it or not, our current formula uses some historical factors such as the 1980 census data, as well as the 1916 postal road miles. That outdated data is included in the current funding formula to allocate dollars among the States. When writing the new bill, the committee thought it made a lot of sense to dispense with the use of the old data. After all, some of the data are pretty old. The 1980's is old enough, but the 1916 postal road miles is going a bit far.

The current ISTEA program also has a lot of accounts. Eleven to be exact. It is difficult for States to work with all the different accounts. And it is a bit complex. So the new bill we are debating today eliminates that old historical data and brings the funding formulas up to date. This new bill also reduces the number of accounts from 11 to 5. This provides States with a lot more flexibility.

Let me briefly discuss how the current formulation works. As I said, the new bill has five major accounts. One is the Interstate National Highway System, which has two components—the Interstate component as well as the National Highway System component. Another is the Surface Transportation Program and another is the Congestion Mitigation and Air Quality Program, more commonly known inside the beltway as CMAQ. And we have two equity accounts to kind of even things out for States.

Let me say a little bit about the Interstate National Highway System account. It has two components—the interstate component and the National Highway System component. We all know what Interstates are; that is pretty obvious. Let me say that the National Highway System component is essentially our other principal Federal roads. What do we do with the interstate components? How are dollars allocated to States with respect to the Interstate System that they have? It is very simple. Fifty percent of the formula for interstate use is interstate lane miles. So the more interstate lane miles a State has, the more dollars that State is going to receive under our formula in the bill.

Well, what about the States that have, say, not quite so many interstate lane miles, but the ones they do have are traveled very heavily? Those States feel they should receive adequate interstate funds because their maintenance costs are higher because they have more traffic on their interstates. We take care of that. Fifty percent of the interstate component is lane miles and the other 50 percent is what we call interstate vehicle miles traveled, otherwise known as VMT. So there is a balance here with respect to the interstate dollars that are sent out to States. Fifty percent of the interstate component is based upon the number of interstate lane miles that a State has. This helps a State like my State of Montana which has a lot of interstate lane miles. For States without a lot of interstate lane miles, the other 50 percent measures congestion as vehicle miles traveled. So my State does not have a lot of vehicle miles traveled. Contrast that with the State, say, of my distinguished colleague from Rhode Island, the chairman of the committee. I suppose he does not have a lot of lane miles, but his vehicle miles traveled is probably high in Rhode Island compared with my State of Montana. That is how we allocate dollars that go to interstate highways. Virtually all of that money is for maintenance, because we have completed the interstate construction in our country. Those dollars go to maintenance. And again, we feel we have a fair formula that measures the extent and use of the interstate system. I should mention that about $6 billion a year that goes into the interstate account.

The other portion of the Interstate National Highway System we call the National Highway System component. That is for non-interstate highways or highways that have a lot of traffic. Again, $6 billion a year goes into the National Highway System component. The formula for dividing this money among the States is also fair. It measures the extent and use of the other highways. Twenty percent of it is apportioned to what we call principal arterial lane miles. Twenty-nine percent is apportioned according to principal arterial vehicle miles traveled. So a larger percentage goes to those States that have more traffic on principal arterials. Eighteen percent is allocated according to what we call arterial bridge square foot deficiencies. That is, if you look at bridges that are deficient and calculate the number of square feet on the bridge, 18 percent of the dollars in our bill in the National Highway System account go to States that have those deficiencies. Twenty-four percent is allocated according to the State's diesel fuel consumption. That is to measure truck use because the large trucks that travel our highways do pound our highways much more than average cars. Those States that have a lot of diesel fuel consumption are probably States that have a lot of truck use and, therefore, need more dollars to maintain their highways. Twenty-four percent of the National Highway System component is divided according to diesel fuel consumption. Nine percent is allocated according to what we call principal arterial lane miles per person. This measures the population density on principal arterials. So that is the first main component of the funding formulas in this bill —the Interstate National Highway System.

Let me mention the next major portion in this bill. It is called the Surface Transportation Program. The Surface Transportation Program is used for other transportation needs, and it is about $7 billion a year; 20 percent is allocated according to Federal aid lane miles, 30 percent according to Federal aid VMT, vehicle miles traveled—again, congested States—25 percent to Federal aid for bridge square foot deficiency, and 25 percent according to contributions to the Highway Trust Fund. That totals $7 billion. Again, that is the Surface Transportation Program.

The next major program is the Congestion Mitigation Air Quality Program. This is designed to allow our highway spending to merge, in some sense, with our Clean Air Act. That is, we want our highway spending to be planned to meet our environmental concerns. CMAQ helps States meet the requirements of the Clean Air Act. We don't want our bill to encourage States to be not in compliance with the Clean Air Act. Rather, we would like our bill to encourage cities and States to be in compliance with the standards in the Clean Air Act.

So this bill spends about $1.15 billion a year, according to the severity of air quality nonattainment for ozone and carbon monoxide, and also for populations living in nonattainment areas. I must say, Madam President, that ISTEA, this bill, led the way on programs like congestion mitigation air quality, otherwise known as CMAQ, and flexibility for States. The person who is principally responsible is Senator MOYNIHAN from New York. When he wrote the ISTEA legislation about 6 years ago, which we are currently operating under, he was the main person that added those provisions in there.

So I might repeat, Madam President, that our current bill, ISTEA II, uses updated data, not old historical data, 1980 census data and 1916 postal road data. Rather, we use the latest census data available each year. We also use data based upon current fuel consumption because we think that is somewhat of an indication—not a perfect indication—of how much State highways get used, therefore, the number of dollars that State would need for maintenance and upkeep.

I think this is a pretty good formula. It is one that is fair to different regions of the country. We have a very diverse nation. There is a wide variety of transportation needs among the States. From Maine, the State of the current occupant of the chair, to California to Nevada or my State of Montana, every State is different. We have done our very best to try to balance the different needs. I think that passage of this bill out of committee by a vote of 18 to 0 somewhat reflects the views of the Senators on that committee that this is a balanced and fair bill. Those eighteen Senators come from the West, from the East, from the South. We have Senators from so-called donee States and Senators from so-called donor States. I think we have done a good job.

I hope that Senators who have ideas on how to further improve this bill will come down and speak with the chairman of the committee and with me because we are more than open to ways to improve this bill.

Madam President, I will pause now to allow Senators to come down and speak.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. BAUCUS. Madam President, I ask unanimous consent that John Hemphill and Elizabeth Cummings of my staff be given floor privileges during the debate on this bill.

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

Mr. CHAFEE. Madam President, I ask unanimous consent that Ms. Cherlye Tucker, a detailee from the Department of Transportation, who has been assisting the EPW staff with ISTEA, be given floor privileges during the ISTEA debate.

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

Mr. CHAFEE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. CHAFEE. Madam President, I ask unanimous consent that two letters written by the Congressional Budget Office be printed in the RECORD. The first letter dated October 7, 1997, includes the cost estimate for S. 1173, the Intermodal Surface Transportation Efficiency Act of 1997, the ISTEA bill we are considering now, as reported by the Committee on Environment and Public Works.

This letter points to certain technical violations of the Budget Act in S. 1173. We have made adjustments in the committee substitute for S. 1173 which was agreed to on October 8 to correct those deficiencies.

So that is the first letter, Madam President.

The second letter, dated October 6, 1997, includes more detailed information on the Minimum Allocation Program, one of the components of the Federal Aid Highway Program that is exempt from the annual obligation limitation. The Committee on Environment and Public Works used the information in the October 6 Congressional Budget Office letter to make the technical budget corrections found in the committee substitute amendment to S. 1173.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 7, 1997.

Hon. JOHN H. CHAFEE,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1173, the Intermodal Surface Transportation Efficiency Act of 1997.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Clare Doherty (for federal costs), Pearl Richardson (for federal revenues), and Marc Nicole (for the state and local impact).

Sincerely,

PAUL VAN DE WATER
(For June E. O'Neill, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1173 INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1997

(As reported by the Senate Committee on Environment and Public Works on October 1, 1997)

Summary

S. 1173 would reauthorize the Intermodeal Surface Transportation Efficiency Act of 1991 (ISTEA) and would provide $145.3 billion in contract authority for the Federal Highway Administration's (FHWA's) Federal-Aid Highways program for the fiscal years 1998 through 2003. In addition to providing contract authority, S. 1173 would authorize the appropriation of $2.1 billion for programs managed by the Department of Transportation for the same six-year period. The bill would create a new credit program that would likely result in an increase in tax-exempt financing, and a consequent loss of federal revenues. Because S. 1173 would affect direct spending and receipts, pay-as-you go procedures would apply to the bill.

S. 1173 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments except as a condition of receiving federal assistance or participating in a voluntary federal program.

Description of the bill's major provisions

S. 1173 would reauthorize many of the existing components of the Federal-Aid Highways program and would authorize some new activities within the program. Over the 1998–2003 period, contract authority under the bill would total $137.5 billion for Federal-Aid activities that are subject to annual obligation limitations in appropriation acts, and $7.7 billion for activities that are exempt from such obligation limitations. In addition, the bill would authorize the appropriation of $2.1 billion over the same six-year period for new highway-related spending.

	By fiscal year, in millions of dollars						
	1997	1998	1999	2000	2001	2002	2003
Baseline spending under current law:							
Estimated budget authority [1]	22,428	23,047	23,378	23,884	24,385	24,900	25,425
Estimated outlays	2,057	2,052	1,650	1,346	1,162	1,064	980
Proposed changes:							
Estimated budget authority	0	665	238	−85	−324	−283	59
Estimated outlays	0	73	245	333	407	482	552
Total spending under S. 1173:							
Estimated budget authority	22,428	23,712	23,617	23,800	24,060	24,617	25,484
Estimated outlays	2,057	2,126	1,895	1,679	1,570	1,546	1,532
SPENDING SUBJECT TO APPROPRIATION							
Spending under current law:							
Budget authority	364	0	0	0	0	0	0
Estimated outlays [2]	18,366	18,595	18,853	19,242	19,670	20,215	20,755
Proposed changes:							
Estimated authorization level	0	190	182	382	382	432	482
Estimated outlays [3]	0	532	2,184	2,904	2,938	2,841	2,884
Spending under S. 1173:							
Estimated authorization level	364	190	182	382	382	432	482
Estimated outlays	18,366	19,127	21,037	22,146	22,607	23,056	23,639

	By fiscal year, in millions of dollars						
	1997	1998	1999	2000	2001	2002	2003
CHANGES IN REVENUES							
Estimated Revenues[4]	0	−1	−3	−9	−16	−22	−28

[1] The 1997 level is the amount of contract authority provided under ISTEA. The 1998–2003 levels are the amounts included in CBO's March 1997 baseline, which assumes annual increases for anticipated inflation.
[2] Outlays from the mandatory contract authority for programs that are subject to annual obligation limitations, and from discretionary appropriations.
[3] Outlays from new authorizations in addition to the programs subject to annual obligation limitations.
[4] Minus signs denote a loss of revenue.

CBO estimates that spending under the bill would total about $142 billion over the 1998–2003 period. Of that amount, $131.6 billion would be discretionary outlays and $10.3 billion would be direct spending. Of the $131.6 billion in total estimated outlays subject to appropriation, about $129 billion would come from contract authority, and $2.6 billion would come from amounts authorized to be appropriated by S. 1173 or already appropriated in prior years. Under the CBO baseline, direct spending outlays would total $8.3 billion over the 1998–2003 period (about $2 billion less than the six-year total for S. 1173), and discretionary outlays from contract authority would total about $117 billion over the same period (approximately $12 billion less than under S. 1173). The costs of this legislation fall within budget function 400 (transportation).

Enacting S. 1173 would also affect revenues. The Joint Committee on Taxation estimates that the new credit program would increase tax-exempt debt, resulting in a loss of revenues to the federal government totaling $79 million over the 1998–2003 period.

Basis of estimate

Enacting S. 1173 would affect direct spending, spending subject to appropriation, and revenues. In particular, the bill would provide $145.3 billion in contract authority, which is a form of direct spending, for the Federal-Aid Highways program. Most of the outlays from this contract authority would be controlled by annual obligation limitations imposed through the appropriation process. All of the projected outlays controlled by appropriation action, whether from appropriated budget authority or annually limited contract authority, are shown in the table under ''Spending Subject to Appropriation.'' Because a portion of the new minimum guarantee program would be exempt from obligation limitations, some of the outlays for that program as well as all of the outlays for other exempt programs are included in the table under ''Direct Spending.''

Direct spending

S. 1173 would authorize funding for a new Federal-Aid Highways activity that would be partly exempt from obligation limitations—the minimum guarantee program. Under this bill, a portion of the minimum guarantee spending would be subject to annual obligation limitations and the remainder would be exempt. Outlays from the exempt portion of the minimum guarantee program would be direct spending.

Under the baseline, CBO assumes continued funding for the minimum allocation program (which would be replaced by minimum guarantee funding), one of the exempt programs under current law. Based on projections from the FHWA that CBO used in its March 1997 baseline, the estimated funding for minimum allocation would be $4.1 billion over the 1998–2003 period—$639 million for 1998, $654 million for 1999, $670 million in 2000, $687 million in 2001, $704 million in 2002, and $721 million in 2003.

Under the formula contained in S. 1173, we expect that the minimum guarantee program would cost more than the minimum allocation program. CBO assumes that this new program would have the same obligation rates and outlay rates as assumed for minimum allocation. Based on FHWA projections, CBO estimates that funding for the portion of the minimum guarantee program that would be exempt from obligation limitations would total $5.7 billion over six years—$896 million in 1998, $898 million in 1999, $909 million in 2000, $926 million in 2001, $991 million in 2002, and $1,096 million in 2003.

The emergency relief program, the other Federal-Aid activity under current law that is exempt from obligation limitations, is permanently authorized. S. 1173 would not change the emergency relief program, which receives $100 million each year.

For the Woodrow Wilson Memorial Bridge project, S. 1173 would provide contract authority of $100 million a year for 1998 and 1999, $125 million in 2000, $175 million in 2001, and $200 million a year for 2002 and 2003. The bill would exempt that spending from obligation limitations, so outlays relating to the bridge project would be direct spending. CBO estimates that outlays for the bridge project would total about $640 million over the 1998–2003 period.

The contract authority authorized for transportation infrastructure finance and innovation credit would also be exempt from obligation limitations. CBO estimates that the outlays for this new credit activity would total about $470 million over the 1998–2003 period. The authorized funding for the new credit program is assumed to be for the costs of the subsidies to support the direct loans and loan guarantees that would be provided under the bill. CBO estimates the subsidy amount provided for each year would be spent over a two-year period. (Subsidy outlays are recorded in the year that loans are disbursed; we assume that loans obligated or guaranteed under S. 1173 would be disbursed—on average—over two years.)

Spending subject to appropriation

For purposes of this estimate, CBO assumes that the amounts authorized for highway programs would be appropriated by or near the start of each fiscal year. Outlay estimates for all of the spending subject to appropriation are based on historical spending rates for the affected FHWA and NHTSA programs. Because most of the outlays from contract authority are governed by obligation limitations in appropriation acts, they are discretionary and so are included in the table as estimated outlays subject to appropriation. To estimate such outlays, CBO used the obligation limitations specified in the bill.

One of the new programs that would be controlled by Federal-Aid obligation limitations is safety belt incentive grants. A provision in the bill would require the Secretary of Transportation to calculate the budgetary savings relating to federal medical costs, including savings in the Medicare and Medicaid programs attributable to increased seat belt usage, and distribute that savings to the states that had caused those budgetary savings. CBO estimates that there would be no significant budgetary savings from this provision because the likelihood that the provisions of the bill would increase seat belt usage significantly is small and the impact of any change in seat belt usage on Medicare and Medicaid spending would likely be negligible and difficult to identify. CBO assumes that states would only receive the authorized amounts in the bill with no additional funds from budgetary savings.

S. 1173 would give states some additional flexibility in the use of their Federal-Aid Highways dollars, especially funds for the National Highway System (NHS), and the Surface Transportation Program (STP). The bill would give states the ability to put a significant portion of their Federal-Aid Highways dollars in a state infrastructure bank (SIB). Under the bill, a SIB is an infrastructure investment fund that could be created at the state or local level to make loans and provide other forms of financial assistance to surface transportation projects. In addition, a SIB could enhance credit, serve as a capital reserve, subsidize interest rates, ensure letters of credit, and provide security for debt financing. The bill includes language ensuring that the federal disbursements to SIBs do not exceed more than 20 percent of the total federal funds obligated annually for such purposes.

S. 1173 would give states the flexibility to use NHS and STP funds for capital improvements for Amtrak or a publicly owned passenger line, publicly owned intracity or intercity passenger rail or bus terminals, capital improvements for intelligent transportation systems, and publicly owned magnetic levitation projects. Given this additional flexibility, outlays could occur at faster rates for the Federal-Aid Highways program than assumed in the CBO baseline. The outlay pattern assumed for the Federal-Aid program is rather slow, with outlays for each year's obligations spent over nine years because of the significant amount of capital expenditures within the program. If a significant number of states were to spend a large portion of their Federal-Aid Highways funds on Amtrak or other passenger rail expenditures, magnetic levitation projects, or other nontraditional Federal-Aid expenditures, the funds would be spent more quickly than under the traditional program structure.

S. 1173 would authorize the appropriation of $2.1 billion over the 1998–2003 period for new highway programs. The bill would authorize appropriations over the six-year period totaling $750 million for grants to states for trade corridor and border crossing grants, $300 million for the joint partnership for advanced vehicles program, $30 million for the transportation and environmental cooperative, and $20 million for developing and maintaining a reporting system for excise taxes on motor fuels. In addition, the bill would authorize a total appropriation of $950 million for magnetic levitation grants from 2000 through 2003.

S. 1173 would require the FHWA to conduct studies and publish subsequent reports. It would require the Secretary of Transportation to report on the extent and use by states of uniformed police officers on Federal-Aid Highway construction projects. It would also require the Secretary to report annually on the rates of obligation of funds apportioned under the Federal-Aid Highway program. A third provision would direct the Secretary to submit a report on the activities and results of the new federal credit assistance activity under the bill. Based on information from the FHWA, CBO estimates that the cost of completing the studies and preparing the reports would be less than

$100,000 per year. In addition, the bill would require the General Accounting Office (GAO) to complete three highway studies and subsequently publish reports. According to GAO, the cost of completing these studies and reports would not be significant.

Revenues

Subtitle C, Chapter 2 of S. 1173 provides for a federal credit program for such facilities as border crossings, multistate trade corridors, intermodal facilities, toll roads and other facilities that generate their own revenue streams through user charges. The credit program, which is intended to complement other funding and to leverage private co-investment, could include secured loans, loan guarantees, and lines of credit, up to a maximum amount of credit ranging from $1.2 billion in 1998 to $2.0 billion in 2003. That program could leverage new issues of tax-exempt bonds and result in a net increase in the volume of outstanding tax-exempt debt. The Joint Committee on Taxation estimates that this program would result in revenue losses totaling $79 million over the 1998–2003 period.

Pay-as-you-go considerations

Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO's estimate of the bill's impact on outlays from direct spending is summarized in the following table for fiscal years 1998 through 2007. The table also contains estimates of changes in revenues (governmental receipts) provided by the Joint Committee on Taxation. For purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted. Also, only direct spending outlays are subject to pay-as-you-go requirements; the discretionary outlays from contract authority subject to obligation limitations are not included as pay-as-you-go effects because those outlays are controlled by appropriation acts.

SUMMARY OF EFFECTS ON DIRECT SPENDING AND RECEIPTS

	By fiscal year, in millions of dollars									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Changes in outlays	73	245	333	407	482	552	517	384	361	336
Changes in receipts	−1	−3	−9	−16	−22	−28	−34	−40	−46	−51

Intergovernmental and private-sector impact

S. 1173 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments except as a condition of receiving federal assistance or participating in a voluntary federal program. Most of funding authorized in this bill would be redistributed to states in the form of grants for transportation purposes.

Estimate prepaid by:

Federal Costs: Clare Doherty;

Federal Revenues: Pearl Richardson;

Impact on State, Local, and Tribal Government: Marc Nicole.

Estimate approved by:

Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 6, 1997.

Hon. JOHN H. CHAFEE,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you requested, we are providing the following information on the minimum allocation program, one of the components of the Federal-Aid Highways program that is exempt from annual obligation limitations. The minimum allocation program is funded under section 157 of Title 23, United States Code. Based on information from the Federal Highway Administration, we included the following amounts of mandatory budget authority for fiscal years 1998 through 2003 in CBO's March 1997 baseline, which underlies the 1998 budget resolution.

	By fiscal year, in millions of dollars					
	1998	1999	2000	2001	2002	2003
Estimated budget authority	639	654	670	687	704	721

The funding level for 1997 was $603 million.

If you wish further details, we will be pleased to provide them. The CBO staff contact is Clare Doherty.

Sincerely,

JUNE E. O'NEILL,
Director.

Mr. CHAFEE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Mississippi is recognized.

Mr. COCHRAN. I thank the Chair.

(The remarks of Mr. COCHRAN pertaining to the introduction of S. 1296 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. COCHRAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

The PRESIDING OFFICER (Mr. ALLARD). The Senator from New York.

Mr. MOYNIHAN. Mr. President, as a member of the Committee on Environment and Public Works for nigh on to 21 years now, I rise with a great sense of pleasure and even pride at what our committee has done in the legislation before you, the Intermodal Surface Transportation Efficiency Act of 1997, known informally as ISTEA II. It is a work of great complexity, yet clarity of principle. It is a tribute to our chairman, Senator CHAFEE, to his distinguished and wholly informed, carefully attentive ranking member, Senator MAX BAUCUS of Montana. One would not wish to overlook the work of Senator JOHN WARNER of Virginia, whose subcommittee had to produce this measure. Nine months ago—and this might be an augury for many of the matters that remain for the Senate in this session—9 months ago it was thought that this bill would bring about some of the fiercest interregional battles of this time in our national life. And, yet, to the amazement of all and to the very great credit of the managers of the bill, it was reported out of committee unanimously. The committee has a long-standing tradition of bipartisanship, which is always challenged when the elemental and legitimate interests of different regions, and different States, come into play. It is a matter of great satisfaction to me that the authors of the bill chose to give it the same name, the Intermodal Surface Transportation Efficiency Act, which we gave to the bill in 1991, ISTEA I, if you like. Robert A. Roe of New Jersey, then chairman of the House Public Works Committee and a public servant of the highest capacity, and I, as the person charged with the task in the Committee on Environment and Public Works, developed principles for the first highway bill to mark the post-Interstate era. And here I would like to make a point to which I will return at the conclusion of my remarks

The point is, Mr. President, that the Department of Transportation in 1990–91 faced the unavoidable fact that the Interstate and Defense Highway System, the Eisenhower Interstate System, as it was named at the behest of our beloved John Heinz, was finished. It was built, and they could think of no other thing, no better move, no different task, than to build another.

I think the distinguished managers will recall, as I will not forget, the occasion on which we were summoned to an event in the auditorium at the Executive Office Building. President Bush came, and stood on the stage by a great map of the United States with white background and red lines, just moving here and there, up and down, right, left. I thought, "Oh, my Heaven, is this the new interstate map?" However, I was reassured finally by the then Secretary of Transportation, that no, these were just illustrative lines drawn, presumptively for aesthetic effect, as might be an abstract expressionist painting exhibited in New York's Museum of Modern Art in the 1980's. They had no idea what to do and had no instinct, save to go on doing what they had done.

Congress thought differently. Congress chose, in a cooperative mode, to devise the first post-Interstate era transportation program for the country.

The Interstate System was a long time in the making, Mr. President. It began as a concept at the 1939 World's Fair. I may be one of the only Members of the body who went to that fair, which was in Flushing Meadows in

Queens, NY. The General Motors Co., had an exhibit which was the great sensation and joy of the fair. It was called ''Futurama.''

Under a great plexidome, it showed a map of a portion of the United States with Chevrolets and Buicks driving steadily through these great divided highways with cloverleaf intersections, passing through mountains, stopping, in one instance, at the 40th floor, as I recall, of the Empire State Building. It was just a huge success as displays go.

In 1944, President Roosevelt, having in mind the possibility that the Depression of the 1930's would return at the end of the Second World War—this was a widely held belief—had Congress authorize an interstate highway system to be built when the war was over and peace resumed.

This was done. The Interstate System was authorized. No funds were made available. Then President Eisenhower came to office. One of the current ideas was the creation of an Interstate system. He appointed a commission to look into it, because this had a particular hold on his personal experience.

His first command in 1919 had been to assume that enemy action had destroyed the national railroad system, and he was to take a convoy of military trucks from Fort Meade, on the outskirts of Washington, to the Presidio in California. He got there, but it was a tale to tell, and he would tell it. It is a wonderful passage in a book he put out, ''Stories I Like To Tell.''

He crossed the Mississippi River to the Pacific. He averaged about 4 miles an hour. That wouldn't do if, indeed, there was a military emergency. And so the Interstate System became the Interstate Defense System. A dedicated gasoline tax was imposed—this was very much the work of Jim Wright of Texas—and we began the largest engineering public works project in the history of the world.

Indeed, we had already begun it in New York State where Governor Dewey, in 1946, simply took it upon himself to build such a road with funding from the sales of bonds. He built this road from the outskirts of New York City across the path of the New York Central Railroad and the Erie Canal to Buffalo and down to Pennsylvania. It is called the New York State Thruway. And the inspired civil engineer who built it, Bertram Tallamy, was asked down by the Eisenhower administration to take over the small Bureau of Public Roads in the Department of Commerce to build this national system. Previously, the Bureau of Public Roads managed a very small Federal program, mostly involved with what we call farm-to-market roads for rural areas.

The Interstate System was a vast success, in many ways too much of a success. It changed the outlay of the American economy, the regions, the regional distribution. Cities emptied out, suburbs grew up, factories moved, and a great change took place in our system. The use of automobiles doubled, and then redoubled. The time came, however, when this Interstate System, which really was a misnomer because most of the expanse was in and around cities, was finished and the time had come to do something more.

The new legislation in 1991 established the principle of a balanced national transportation investment policy, an intermodal policy to improve mobility and access to jobs. Because as jobs left the inner cities all over our country, there was no public transportation available to people who didn't have automobiles.

It provided for environmental protection. Sometime in the 1970's, we began to notice the phenomenon of air pollution in our cities. A scientist at the University of California identified the process by which smog is formed. Air quality became a genuine and urgent issue. We said we would look at the environment generally and see to it that local communities participated in decisions affecting their environment.

This, Mr. President, sounds like a routine statement. But before ISTEA, participation by local communities was not a routine event for our National Highway Program. These plans were drawn up in Washington and administered from highway departments in State capitals. Local governments had little or no say. The money, the 90–10 money, the 95–5 money, could scarcely be resisted and decisions were centralized at the State level in a way that would surprise many who began the program.

If you would like to see an example of devolution, look to what our committee has done in these two bills in moving decisionmaking from the States to regional and local groups. In the hearings that have been held all over the country, there has been, as I understand, very strong endorsement of this legislation on this ground.

A hearing held at the Alexander Hamilton Custom House in Bowling Green, NY, by Senator WARNER brought the Governor of New Jersey, the Governor of New York, the mayor of New York City, persons from the surrounding counties in Connecticut, New Jersey, and New York to say this has been a revelation to us that we could have something to say in the expenditure of Federal moneys. Federal funds didn't just have to go for another highway, there was something called efficiency involved.

We would say in 1991 that there is no such thing as a free lunch and there is no such thing as a free way. We have to introduce pricing principles where the users of the highways pay tolls, varied by hour of the day or night. Electronics could be introduced to efficiently do that.

At the time of the 1991 legislation, at the Triborough Bridge in New York, which had been opened in time for the 1939 World's Fair, there still were men, now women as well, standing at toll booths collecting tolls. Sixty years had gone by and not a bit of productivity had been introduced into the system. Today, you go through with something called EZ Pass, which electronically collects the toll, and it has quite transformed the system.

We talked about air quality. We talked about efficiency. We talked about the need to maintain existing infrastructure, and we have been successful. The present bill before you, ISTEA II, contains those principles, reasserts them and will continue them.

The bill does another important thing, and more important to some States than to others. The 1991 legislation provided that States that had built highways that were contributed to the Interstate System would be reimbursed for the expense. This was clearly contemplated by the original authors of the Eisenhower legislation—a committee headed by Gen. Lucius D. Clay. The bill before you continues that principle by including the interstate reimbursement program in the base amounts paid to States under the new formulas.

This is especially important to New York State, which was authorized to obtain $5 billion over the course of 15 years, and has already received some $600 million. The installments are about a third of a billion each year.

There are other important problems yet to be resolved. There is an issue of the transit title of our bill. Transit is one aspect of national legislation in which one region will be very much more involved than in others.

For example, a third of the transit rides in the United States are in the New York region. Yet we receive only 18 percent of the funds, despite having twice that much transit ridership. On balance, we do not get much in the way of flood plain protection. Our agricultural subsidies are minimal. Our defense outlays are almost nonexistent. Transit is one of the key Federal programs that addresses New York's needs.

We are a big nation, and not every part is exactly like another part. I see the brilliant chairman of our committee has returned. I want to tell him how grateful I am to him. But I say that if the transit formulas in this bill become radically different from those which existed for many, many years, then it will be difficult for any number of us to support the final legislation. This need not happen, and it should not.

We have a bill here before us from a unanimous committee that can really solidify an enormous and important change. We are talking about transportation policy for the next century. It is not going to be good enough just to go on building those superhighways of this century.

One of the measures that inspired us in 1991 was a report by a committee that had been established by the State of Florida to look into what would it require to accommodate the automobile traffic from Miami to the Disney complex in northern Florida by the year 2020. The report said it would require 40 lanes of interstate highway. Well, you keep that up and there is nothing left of Florida. You have to do better, and you have to think differently than in the past. Today we must increase innovation and investment in infrastructure, while including the absolutely essential Federal labor protections that are written into law today and have been, in some cases, for 60 years.

Here, Mr. President, I have one final thing I would like to say. I do not find any pleasure in it, but from time to time such statements are necessary. I am not sure that the Department of Transportation is able to think differently. It is an organization created with one program to administer, and that one program having concluded, it seems incapable of doing anything else.

As I said at the outset, in 1990, having completed the Interstate System, the only thing the Department of Transportation could think to do, was to build another. In our legislation in 1991, without meaning to be particularly partisan, we provided $725 million to build some prototype magnetic levitation trains and other intelligent transportation systems to get us past the point of a highway automobile driver.

Magnetic levitation—it is the most important scientific idea in the history of ground transportation since the wheel. It is the first mode of transportation since persons got up on their hind feet, you might say, which does not depend on friction. It is a frictionless mode of ground transportation. The simple principles are magnets which lift a vehicle and moves it as if it were flying on the rails.

The idea, sir, was invented on the Bronx-Whitestone Bridge, which connects Long Island with the mainland, by a young nuclear engineer, still thriving, working at the Brookhaven Laboratory, who was going back to MIT. As you can do only when you are a nuclear engineer and you are 26 years old, he thought up maglev, between the time he got on the bridge and the time he got off. A colleague patented it the other day.

I do not assert that it is the necessary new mode of transportation within city regions or in densely populated corridors. But I do say, sir, that they have a train running in Japan now that just broke some new speed records.

By pure chance, this morning I received an invitation to the opening of the German system this next spring. It was in this morning's mail. I have been on that system. I believe our distinguished chairman has also been there. In Germany, for what it is worth, they have decided to no longer have intracountry air service. They will move by new high-speed technology such as this.

Sir, in the 6 years since ISTEA, the DOT did nothing, or nothing that I know of—and I will be very pleased to retract these remarks if they are inaccurate—to advance maglev. They pour concrete, or rather they know the contractors that pour the concrete for them. When an institution gets so fixed on one mission that it cannot adapt to a new challenge, to a new time, some of my radical friends in this body, and perhaps most especially in the other body, ought to ask whether that institution is really necessary. Under the legislation as written, this program could be run from an office of perhaps 10 people in the Office of Management and Budget, or what you will.

In the present legislation, the chairman, the ranking member, and Senator WARNER, also said: We will give another try. And $30 million has been provided for the program. And another $920 million is authorized. It could be done.

We are entitled to hear from the Secretary of Transportation whether he intends to try? Does he have anybody in the employ of the Department who knows what the Congress is proposing? Is there any explanation why no effort was made to spend the money previously provided for maglev? You know, organizations go brain dead, sir, in the history of the world, in the history of governments that cannot adapt to new circumstances.

I hope that the Department of Transportation would hear what was said. In that first legislation, we wrote at the outset a set of principles about efficiency, adaptability, local involvement, intermodalism because it seemed necessary. It was stipulated in law, black and white law, that these principles should be printed and every member of the Department of Transportation be given a copy. It was stipulated in law, black and white law, that the principles be printed in larger form and posted in every office of the Department. But I wish I could say there has been more of a response.

I hope I have not done an injustice to individuals in the Department who have tried. But in fact, sir, we have little to show. And that is not good enough. I do not think it is good enough for the managers or for the Congress. They have done their work. Congress will have made this law. It is now for the Executive to see that the law is faithfully executed.

We have had a good beginning. But we are no way at the conclusion. We are not as far as we had hoped to be, but this continues us in the direction we set out in. I can only once again congratulate the esteemed Senator from Rhode Island, his colleague from Montana, and our colleague from Virginia. They have brought to the Senate floor a bill with the unanimous support of the Committee on Environment and Public Works. What 9 months ago seemed something not possible, surely not probable, has now been done. It is an effort that should be acknowledged, praised and rewarded.

If I may speak just briefly in the colloquial, there is an old saying which, translated from the Gaelic, says, ''If you want an audience, start a fight.'' Well, yes, true enough. But if you want legislation, find unanimity, find consensus.

The managers have done this. I just want to congratulate them once more. I know I shall have the opportunity when the final bill comes to the floor.

I ask that the principles of the 1997 legislation as printed be printed in the RECORD.

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

HOUSE REPORT 102–404—INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991

* * * * *

DECLARATION OF POLICY: INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT.

It is the policy of the United States to develop a National Intermodal Transportation System that is economically efficient and environmentally sound, provides the foundation for the Nation to compete in the global economy, and will move people and goods in an energy efficient manner.

The National Intermodal Transportation System shall consist of all forms of transportation in a unified, interconnected manner, including the transportation systems of the future, to reduce energy consumption and air pollution while promoting economic development and supporting the Nation's preeminent position in international commerce.

The National Intermodal Transportation System shall include a National Highway System which consists of the National System of Interstate and Defense Highways and those principal arterial roads which are essential for interstate and regional commerce and travel, national defense, intermodal transfer facilities, and international commerce and border crossings.

The National Intermodal Transportation System shall include significant improvements in public transportation necessary to achieve national goals for improved air quality, energy conservation, international competitiveness, and mobility for elderly persons, persons with disabilities, and economically disadvantaged persons in urban and rural areas of the country.

The National Intermodal Transportation System shall provide improved access to ports and airports, the Nation's link to world commerce.

The National Intermodal Transportation System shall give special emphasis to the contributions of the transportation sectors to increased productivity growth. Social benefits must be considered with particular attention to the external benefits of reduced air pollution, reduced traffic congestion and other aspects of the quality of life in the United States.

The National Intermodal Transportation System must be operated and maintained with insistent attention to the concepts of innovation, competition, energy efficiency, productivity, growth, and accountability. Practices that resulted in the lengthy and overly costly construction of the Interstate and Defense Highway System must be confronted and ceased.

The National Intermodal Transportation System shall be adapted to ''intelligent vehicles'', ''magnetic levitation systems'', and other new technologies wherever feasible and economical, with benefit cost estimates given special emphasis concerning safety considerations and techniques for cost allocation.

The National Intermodal Transportation System, where appropriate, will be financed, as regards Federal apportionments and reimbursements, by the Highway Trust Fund. Financial assistance will be provided to State and local governments and their instrumentalities to help implement national goals relating to mobility for elderly persons, persons with disabilities, and economically disadvantaged persons.

The National Intermodal Transportation System must be the centerpiece of a national investment commitment to create the new wealth of the Nation for the 21st century.

The Secretary shall distribute copies of the Declaration of Policy to each employee of the Department of Transportation and shall ensure that such Declaration of Policy is posted in all offices of the Department of Transportation.

Mr. CHAFEE. Mr. President, I want to thank the distinguished senior Senator from New York for his very fine comments. Coming from him they mean a lot. As we all know, he was the principal author of the bill that emerged from the conference in 1997, the so-called ISTEA legislation. It is due, principally, to Senator MOYNIHAN, that that bill came out as it did. All of us were there. The Senator from Montana and I and others were there during those negotiations. The Senator from New York was not the chairman of that conference, the chairman was the Representative from New Jersey, Mr. Roe. But the chairman of the Senate in the conference was the chairman of the Environment and Public Works Committee at that time, the Senator from New York.

Out of that came a bill that I think has been a model. I have always said it and I will say it again that the principal credit for doing that, achieving that, was what the Senator from New York did.

Regarding the magnetic levitation, I agree with him, the Senator from New York. Based upon his urgings, I went over to Bremen, Germany, to see the magnetic levitation demonstration tracks. It is about a 10-mile track that is in the form of a figure 8. We attained at that time speeds of over 300 miles an hour with a cruising speed of 240 miles an hour. It was so calm you could rest a glass of water on the table or you could write a letter with ease.

As the Senator from New York mentioned, there were considerable sums in the ISTEA legislation, but those sums, as I recall, were not spent but were taken back by the appropriators over the years. So we have $30 million more from that in here. From that, we believe the Department of Transportation can arrive at the site. We ought to try one of these. Where it will be, I don't know. It could well be in Texas or Florida, moving vast amounts of people back and forth in some fashion wherever it might be. I am sure it will not be in the State of Rhode Island, but I am for it. And I am not necessarily saying we have to develop new technology. I think the Germans have developed some outstanding technology. I have not seen the one in Japan.

I think we ought to get on with it and see how it works in this country and see not only if the construction costs can be amortized but the operating costs, likewise.

Again, I thank the splendid Senator from New York for his comments and appreciate the support he has given this legislation from the word go.

Mr. BAUCUS. Mr. President, I join my colleague and chairman of the Environment and Public Works Committee in recognizing and praising the intelligence and the vision of the senior Senator from New York. I think I can state without reservation and categorically that the Senator from New York is the most interesting Senator in the U.S. Senate. He is most interesting not because he makes outrageous statements but for a lot of reasons. One is his historical knowledge. The Senator from New York has a deeper historical knowledge of many facets, whether it is American history, world history, technical history——

Mr. CHAFEE. Architectural history.

Mr. BAUCUS. Than anyone else in this entity. Very often he draws upon his vast reservoir to enlighten us and remind us of something that happened in the past and how it is relevant to what we are attempting to do in the future.

He is also most interesting because he is, I think, the most profound. He comes up with more new ideas, has a broader perspective on what is happening, which enables him to approach a subject from more angles, more ways, and he thinks more outside the box, if you will.

There are many examples of that but one that comes to mind is what he did in the last ISTEA bill, focusing on intermodality, a big word but very important concept. Not just building concrete highways but all the various ways that transportation has to and should be connected.

For example, the Senator will remember we had a field hearing in New York. I flew up to New York on an airplane. I didn't drive. I took a water taxi in the Delta terminal over to some pier in New York and then a taxi over to where the hearing was located. The point is that States, under the vision of the Senator from New York, can spend ISTEA dollars on a Delta water taxi. That is permissible. I don't know whether any dollars were spent, maybe, but they can be.

In addition, in our bill we give States added flexibility. Our bill allows States to spend money on Amtrak if they choose. In some States, Amtrak is a lot more important, or in parts of some States Amtrak it is more important than others.

The intermodality, that flexibility, is made available here, to say nothing of spending money on transit. Highway dollars can be spent on mass transit. We don't have much mass transit in my State of Montana, but certainly in the State of New York and other States transit is very, very important. Bus lines, bike paths, you name it, States have a lot more flexibility and there are many more uses on the various components of transportation that make up the totality of transportation instead of just highways.

Again, that was a vision of the Senator from New York that put in place that concept 6 years ago and is continued and improved upon in this bill. That is why we named it ISTEA II, and the next one, I am sure, will be ISTEA III.

There is no Senator who, as I said, is more interesting and can contribute more than the Senator from New York. We deeply appreciate it.

Mr. CHAFEE. Mr. President, it is curious that both the Senator from Montana and I serve on the Finance Committee, likewise on the Environment Committee with the Senator from New York. So I have served with the Senator from New York for some 21 years on this committee and 18 years or so on the Finance Committee. And then we both were on the Intelligence Committee back and forth at different times. The Senator from Montana has been on the Finance Committee, likewise, 15, 16 years or so. So I have always felt, Mr. President, because of serving on those committees with the Senator from New York that I received a Harvard education without having to pay for it, and it has been worth it.

I know the story the Senator has told about then, I believe, Second Lieutenant Eisenhower leading a convoy across the country. I think it took about 40 days. And from that, as the Senator from New York pointed out, came this inspiration for the then Lieutenant Eisenhower, later General Eisenhower, and then President Eisenhower, that we ought to build superhighways to get across this Nation.

So I echo what the Senator from Montana says. It has really been a pleasure to work with the Senator from New York.

Mr. MOYNIHAN. I am beyond words but not beyond gratitude. I could not thank my colleagues enough.

Mr. CHAFEE. On a separate subject, Mr. President, I know there are efforts made to get cosponsors on the so-called Byrd-Warner-Baucus, et al., amendment.

I say to my colleagues that might be listening, we have not seen that yet. That has not emerged. I hope people would go slow on cosponsorship of measures such as that because Senator DOMENICI and I have an approach that we think is a very good one and we want to make sure that people just don't get committed in advance, particularly on a measure they have not even seen yet.

I believe I am correct in saying that the Senator from Montana, that measure which was discussed on Thursday a week ago, in other words, something like the 9th of October and was imminent, has not yet appeared, am I correct?

Mr. BAUCUS. If the Senator will yield, I will enthusiastically describe the contents of the amendment so Senators know what it is.

The amendment, it is true, has not been finalized in its final form but it certainly will be very quickly, and I might say to my good friend from Rhode Island, it is a very good amendment because it is an amendment which does not take money from other programs, as has been said by opponents. It is an amendment that does not require any additional spending, a claim sometimes made by its opponents.

I might also say that the proposed amendment to be offered apparently by the Senator from New Mexico to be cosponsored by the Senator from Rhode Island which is an amendment that I think will cause much more mischief than is currently realized because under that amendment it gives vast additional powers to the Budget Committee above which that committee now has which would necessarily take it away from the authorizing committees.

In addition, that amendment the Senator described in conjunction with the Senator from New Mexico would also be very mischievous because it would require reauthorizing committees to go back and at least go to conference with the House every year on the highway bill, which would be the cause of all kinds of disruption.

I urge Senators to be very careful and not be taken in by the language of that amendment.

Again, the amendment we will provide will not mandate additional spending this year or any other year and will not take dollars from any other program that are important to people. It only says if there are savings next year beyond those provided for by the budget resolution, and if there is discretion of the Budget Committee and the Appropriations Committee that those committees want to spend on highway, that is their discretion. I think the Senators will find it is a very good amendment and it is good for the country.

Mr. CHAFEE. Mr. President, the point I was making is on October 9, Thursday, before we left here, we were promised that this amendment was imminent. As a matter of fact, I thought I would be handed a copy then. But now, 11 days have gone by and we still have not seen the amendment.

All I am saying to my colleagues is, just be cautious before leaping on as cosponsors of something that no one has seen yet. I don't know what the problem is, the hold up in this piece of legislation is, but all I know, it is not here yet, and while the prediction is it will be soon, all I can say is that is exactly what was said 11 days ago, and despite the time off that staffs and others had during the recess, nothing has emerged.

I ask my colleagues to just hold their fire and keep their ammunition dry and let's see what the different proposals are that are inside here, including the one which I wouldn't characterize in the same fashion as the Senator from Montana did, namely, the Domenici amendment, which I will be part of.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. CHAFEE. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 5 minutes each.

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

CONGRATULATIONS TO IDA BAIRD, CELEBRATING HER 95TH BIRTHDAY

Mr. ASHCROFT. Mr. President, I rise today to encourage my colleagues to join me in congratulating Ida Baird of Overland Park, KS, who will celebrate her 95th birthday on October 27. Ida is a truly remarkable individual. She has witnessed many of the events that have shaped our Nation into the greatest the world has ever known. The longevity of Ida's life has meant much more, however, to the many relatives and friends whose lives she has touched over the last 95 years.

Ida's celebration of 95 years of life is a testament to me and all Missourians. Her achievements are significant and deserve to be recognized. I would like to join her many friends and relatives in wishing her health and happiness in the future.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE CANCELLATION OF DISCRETIONARY BUDGET AUTHORITY (97–42)—MESSAGE FROM THE PRESIDENT—PM 72

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to Public Law 93–344, to the Commmittee on Appropriations and to the Committee on the Budget.

THE WHITE HOUSE,
Washington, October 14, 1997.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports, contained in the "Department of Defense Appropriations Act, 1998" (Public Law 105–56; H.R. 2266). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest. This letter, together with its attachments, constitute a special message under section 1022 of the Congressional Budget and Compoundment Act of 1974, as amended.

Sincerely,

WILLIAM J. CLINTON.

REPORT OF THE CANCELLATION OF DISCRETIONARY BUDGET AUTHORITY (97–56)—MESSAGE FROM THE PRESIDENT—PM 73

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to Public Law 93–344, to the Committee on Appropriations and to the Committee on the Budget.

THE WHITE HOUSE,
Washington, October 16, 1997.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: In accordance with the Line Item Veto Act, I hereby cancel the dollar amount of discretionary budget authority, as specified in the attached report, contained in the "Treasury and General Government Appropriations Act, 1998" (Public Law 105–61; H.R. 2378). I have determined that the cancellation of this amount will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest. This letter, together with its attachment, constitutes a special message under section 1022 of the Congressional Budget and Impoundment Control Act of 1974, as amended.

Sincerely,

WILLIAM J. CLINTON.

REPORT OF THE CANCELLATION OF DISCRETIONARY BUDGET AUTHORITY (97–57)—MESSAGE FROM THE PRESIDENT—PM 74

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to Public Law 93–344, to the Committee on Appropriations and to the Committee on the Budget.

THE WHITE HOUSE,
Washington, October 16, 1997.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: In accordance with the Line Item Veto Act, I hereby cancel the dollar amount of discretionary budget authority, as specified in the attached reports, contained in the "Energy and Water Development Appropriations Act, 1998" (H.R. 2203,