LOTT, Mr. MACK, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. SESSIONS, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, and Mr. THURMOND):

S. 304. A bill to clarify Federal law with respect to assisted suicide, and for other purposes; to the Committee on Finance.

By Mr. D'AMATO (for himself, Ms. MOSELEY-BRAUN, Mr. CHAFEE, Mr. ROBB, Mr. REID, Mr. LIEBERMAN, Mr. SMITH of New Hampshire, Mr. DODD, Mr. BIDEN, Mr. CRAIG, Mr. ALLARD, Mr. MACK, Mr. GRASSLEY, Mr. KERREY, Mr. BOND, Mr. BURNS, Mr. HAGEL, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. BRYAN, Mr. DOMENICI, Mr. SPECTER, Mr. REED, Mr. JOHNSON, Mr. BENNETT, Mr. KOHL, Mr. HATCH, Mr. ENZI, Mr. SANTORUM, Mr. MOYNIHAN, Mrs. MURRAY, Mr. CLELAND, Ms. LANDRIEU, Mr. KERRY, Mrs. HUTCHISON, Mr. FAIRCLOTH, Mr. LOTT, Mr. GORTON, Mrs. FEINSTEIN, Mr. SESSIONS Mr. COVERDELL, Mr. BROWNBACK, Mr. GRAMS, Mr. LUGAR, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. ROBERTS, Mr. SHELBY, and Mr. THOMAS):

S. 305. A bill to authorize the President to award a gold medal on behalf of the Congress to Francis Albert ''Frank'' Sinatra in recognition of his outstanding and enduring contributions through his entertainment career and humanitarian activities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FORD:

S. 306. A bill to amend the Internal Revenue Code of 1986 to provide a decrease in the maximum rate of tax on capital gains which is based on the length of time the taxpayer held the capital asset; to the Committee on Finance.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. MCCONNELL, AND Mr. LEAHY):

S. 307. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to States of surplus personal property for donation to nonprofit providers of assistance to impoverished families and individuals, and for other purposes; to the Committee on Governmental Affairs.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 308. A bill to require the Secretary of the Interior to conduct a study concerning grazing use of certain land within and adjacent to Grand Teton National Park, WY, and to extend temporarily certain grazing privileges; to the Committee on Energy and Natural Resources.

By Mr. AKAKA:

S. 309. A bill to amend title 38, United States Code, to prohibit the establishment or collection of parking fees by the Secretary of Veterans Affairs at any parking facility connected with a Department of Veterans Affairs medical facility operated under a health-care resources sharing agreement with the Department of Defense; to the Committee on Veterans Affairs.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 310. A bill to temporarily waive the enrollment composition rule under the medicaid program for certain health maintenance organizations; to the Committee on Finance.

By Mr. GRAHAM:

S. 311. A bill to amend title XVIII of the Social Security Act to improve preventive benefits under the medicare program; to the Committee on Finance.

By Mr. FORD:

S. 312. A bill to revise the boundary of the Abraham Lincoln Birthplace National Historic Site in Larue County, KY, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BROWNBACK (for himself and Mr. ROBERTS):

S. 313. A bill to repeal a provision of the International Air Transportation Competition Act of 1979 relating to air transportation from Love Field, TX; to the Committee on Commerce, Science, and Transportation.

By Mr. THOMAS (for himself, Mr. HAGEL, Mr. KYL, Mr. ENZI, Mr. BROWNBACK, and Mr. CRAIG):

S. 314. A bill to require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HARKIN:

S. 315. A bill to amend the Internal Revenue Code of 1986 to reduce tax benefits for foreign corporations, and for other purposes; to the Committee on Finance.

By Mr. LEVIN:

S. 316. A bill to direct the Administrator of the Environmental Protection Agency to provide for a review of a decision concerning a construction grant for the Ypsilanti Wastewater Treatment Plant in Washtenaw County, MI; to the Committee on Environment and Public Works.

By Mr. CRAIG (for himself, Mr. BRYAN, Mr. COCHRAN, and Mr. BENNETT):

S. 317. A bill to reauthorize and amend the National Geologic Mapping Act of 1992; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO:

S. 318. A bill to amend the Truth in Lending Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transition, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Ms. MOSELEY-BRAUN:

S. 319. A bill to designate the national cemetery established at the former site of the Joliet Arsenal, IL, as the ''Abraham Lincoln National Cemetery.''; to the Committee on Veterans Affairs.

By Mr. ASHCROFT (for himself, Mr. THOMPSON, Mr. ABRAHAM, Mr. ALLARD, Mr. BOND, Mr. BROWNBACK, Mr. BURNS, Mr. CAMPBELL, Ms. COLLINS, Mr. COVERDALL, Mr. CRAIG, Mr. FAIRCLOTH, Mr. FRIST, Mr. GRAMM, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INOUYE, Mr. MACK, Mr. MURKOWSKI, Mr. SESSIONS, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, and Mr. THOMAS):

S.J. Res. 16. A joint resolution proposing a constitutional amendment to limit congressional terms; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. WARNER:

S. Res. 54. An original resolution authorizing biennial expenditures by committees of the Senate; from the Committee on Rules and Administration; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN (for himself, Mr. ASHCROFT, Mr. NICKLES, Mr. FORD, Mr. ABRAHAM, Mr. ALLARD, Mr. BIDEN, Mr. BOND, Mr. BREAUX, Mr. BROWNBACK, Mr. BURNS, Mr. COATS, Mr. CRAIG, Mr. DEWINE, Mr. ENZI, Mr. FAIRCLOTH, Mr. GRASSLEY, Mr. GREGG, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. LIEBERMAN, Mr. LOTT, Mr. MACK, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. SESSIONS, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, and Mr. THURMOND):

S. 304. A bill to clarify Federal law with respect to assisted suicide, and for other purposes; to the Committee on Finance.

THE ASSISTED SUICIDE FUNDING RESTRICTION ACT

Mr. DORGAN. Mr. President, I rise today to introduce legislation, along with Senator ASHCROFT and 28 of our colleagues from both sides of the aisle, that will prohibit Federal funds from being used to pay for the costs associated with assisted suicide.

I want to say right off that the Dorgan-Ashcroft bill does not attempt to address the broad and complex issue of whether there is a constitutional right to die. That job belongs to the Supreme Court, and as you all know, the High Court is expected to issue a decision later this year to answer this fundamental question.

It is the job of Congress, however, to determine how our Federal resources will be allocated. I do not believe Congress ever intended for Federal funding to be used for assisted suicide, and my bill will ensure that such funding does not occur.

I understand that the decisions that confront individuals and their families when a terminal illness strikes are among the most difficult a family will ever have to make. At times like this, each of us must rely on our own religious beliefs and conscience to guide us.

But regardless of one's personal views about assisted suicide, I feel strongly that Federal tax dollars should not be used for this controversial practice, and the vast majority of Americans agree with me. In fact, when asked in a poll in November of last year whether tax dollars should be spent for assisting suicide, 87 percent of Americans feel tax money should not be spent for this purpose.

The Assisted Suicide Funding Restriction Act prevents any Federal funding from being used for any item or service which is intended to cause, or assist in causing, the suicide, euthanasia, or mercy killing of any individual.

This bill does make some important exceptions. First, this bill explicitly provides that it does not limit the withholding or withdrawal of medical treatment or of nutrition or hydration from terminally ill patients who have decided that they do not want their lives sustained by medical technology. Most people and States recognize that there are ethical, moral, and legal distinctions between actively taking steps to end a patient's life and withholding or withdrawing treatment in order to allow a patient to die naturally. Every State now has a law in place governing a patient's right to lay out in advance, through an advanced directive, living will, or some other means, his or her

wishes related to medical care at the end of life. Again, this legislation would not interfere with the ability of patients and their families to make clear and carry out their wishes regarding the withholding or withdrawal of medical care that is prolonging the patient's life.

This bill also makes clear that it does not prevent Federal funding for any care or service that is intended to alleviate a patient's pain or discomfort, even if the use of this pain control ultimately hastens the patient's death. Large doses of medication are often needed to effectively reduce a terminally ill patient's pain, and this medication may increase the patient's risk of death. I think we all would agree that the utmost effort should be made to ensure that terminally ill patients do not spend their final days in pain and suffering.

Finally, while I think Federal dollars ought not be used to assist a suicide, this bill does not prohibit a State from using its own dollars for this purpose. However, I do not think taxpayers from other States, who have determined that physician-assisted suicide should be illegal, should be forced to pay for this practice through the use of Federal tax dollars.

I realize that the legality of assisted suicide has historically been a State issue. There are 35 States, including my State of North Dakota, which have laws prohibiting assisted suicide and at least 8 other States consider this practice to be illegal under common law. Only one State, Oregon, has a law legalizing assisted suicide.

However, two circumstances have changed that now make this an issue of Federal concern. First, the Supreme Court's decisions in Washington versus Glucksberg and Quill versus Vacco could have enormous consequences on our public policy regarding assisted suicide. In these two cases, the Federal Ninth Second Circuit Courts of Appeal have struck down Washington and New York State statutes outlawing assisted suicide. Although the circuit courts varied in their legal reasoning, both recognized a constitutional right to die.

Second, we are on the brink of a situation where Federal Medicaid dollars may soon be used to reimburse physicians who help their patients die. In another case, Lee versus Oregon, a Federal district court judge has ruled that Oregon's 1994 law allowing assisted suicide is unconstitutional and he has blocked its implementation. However, his decision has been appealed to the Ninth Circuit Court of Appeals, which has already recognized a constitutional right to die.

Once the legal challenges to Oregon's law have been resolved, the State's Medicaid director has already stated that Oregon will begin using its Federal Medicaid dollars to reimburse physicians for their costs associated with assisting in suicide. Should this occur, Congress will not have considered this issue. I do not think it was Congress' intention for Medicaid or other Federal dollars to be used to assist in suicide, and I hope we will take action soon to stop this practice before it starts.

It is important to point out that the Supreme Court decisions will not resolve the important issue of funding for assisted suicides. Even if the Supreme Court finds that there is not a constitutional right to assisted suicide, the ruling likely will not negate Oregon's statute permitting assisted suicide. As a result, the Ninth Circuit Court could well uphold the Oregon statute and Oregon could, in turn, bill Medicaid for the costs associated with assisted suicide. If Congress does not act to disallow Federal funding, a few States, or a few judges, may very well take this decision out of our hands.

The National Conference of Catholic Bishops and the National Right to Life Committee have endorsed this legislation. The American Medical Association and the American Nurses Association have issued position statements opposing assisted suicide, and President Clinton has also indicated his opposition to assisted suicide.

I hope you agree with me and the vast majority of Americans who oppose using scarce Federal dollars to pay for assisted suicide. I invite you to join me, Senator ASHCROFT and 28 of our colleagues in this effort by cosponsoring the Assisted Suicide Funding Restriction Act.

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

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

S. 304

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 ''Assisted Suicide Funding Restriction Act of 1997''.

SEC. 2. GENERAL PROHIBITION ON USE OF FEDERAL ASSISTANCE.

Notwithstanding any other provision of law, no funds appropriated by the Congress shall be used to provide, procure, furnish, fund, or support, or to compel any individual, institution, or government entity to provide, procure, furnish, fund, or support, any item, good, benefit, program, or service, the purpose of which is to cause, or to assist in causing, the suicide, euthanasia, or mercy killing of any individual.

SEC. 3. RULE OF CONSTRUCTION.

Nothing in this Act, or in an amendment made by this Act, shall be construed to create any limitation relating to—

(1) the withholding or withdrawing of medical treatment or medical care;

(2) the withholding or withdrawing of nutrition or hydration;

(3) abortion; or

(4) the use of an item, good, benefit, or service furnished for the purpose of alleviating pain or discomfort, even if such use may increase the risk of death, so long as such item, good, benefit, or service is not also furnished for the purpose of causing, or the purpose of assisting in causing, death, for any reason.

SEC. 4. PROHIBITION OF FEDERAL FINANCIAL PARTICIPATION UNDER MEDICAID FOR ASSISTED SUICIDE OR RELATED SERVICES.

(a) IN GENERAL.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)) is amended—

(1) by striking ''or'' at the end of paragraph (14);

(2) by striking the period at the end of paragraph (15) and inserting ''; or''; and

(3) by inserting after paragraph (15) the following:

''(16) with respect to any amount expended for any item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(b) TREATMENT OF ADVANCE DIRECTIVES.—Section 1902(w) of the Social Security Act (42 U.S.C. 1396a(w)) is amended by adding at the end the following:

''(5) Nothing in this subsection shall be construed to create any requirement with respect to a portion of an advance directive that directs the purposeful causing, or the purposeful assisting in causing, of the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.

''(6) Nothing in this subsection shall be construed to require any provider or organization, or any employee of such a provider or organization, to inform or counsel any individual regarding any right to obtain an item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of the individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 5. RESTRICTING TREATMENT UNDER MEDICARE OF ASSISTED SUICIDE OR RELATED SERVICES.

(a) PROHIBITION OF EXPENDITURES.—Section 1862(a) of the Social Security Act (42 U.S.C. 1395y(a)) is amended—

(1) by striking ''or'' at the end of paragraph (14);

(2) by striking the period at the end of paragraph (15) and inserting ''; or''; and

(3) by inserting after paragraph (15) the following:

''(16) where such expenses are for any item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(b) TREATMENT OF ADVANCE DIRECTIVES.—Section 1866(f) of the Social Security Act (42 U.S.C. 1395cc(f)) is amended by adding at the end the following:

''(4) Nothing in this subsection shall be construed to create any requirement with respect to a portion of an advance directive that directs the purposeful causing, or the purposeful assisting in causing, of the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.

''(5) Nothing in this subsection shall be construed to require any provider of services or prepaid or eligible organization, or any employee of such a provider or organization, to inform or counsel any individual regarding any right to obtain an item or service, furnished for the purpose of causing, or the purpose of assisting in causing, the death of the individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 6. PROHIBITION AGAINST USE OF BLOCK GRANTS TO STATES FOR SOCIAL SERVICES TO PROVIDE ITEMS OR SERVICES FOR THE PURPOSE OF INTENTIONALLY CAUSING DEATH.

Section 2005(a) of the Social Security Act (42 U.S.C. 1397d(a)) is amended—

(1) by striking ''or'' at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting ''; or''; and

(3) by adding at the end the following:

''(10) for the provision of any item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 7. INDIAN HEALTH CARE.

Section 201(b) of the Indian Health Care Improvement Act (25 U.S.C. 1621(b)) is amended by adding at the end the following:

''(3) Funds appropriated under the authority of this section may not be used for the provision of any item or service (including treatment or care) furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 8. MILITARY HEALTH CARE SYSTEM.

(a) MEMBERS AND FORMER MEMBERS.—Section 1074 of title 10, United States Code, is amended by adding at the end the following:

''(d) Under joint regulations prescribed by the administering Secretaries, a person may not furnish any item or service under this chapter (including any form of medical care) for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(b) PROHIBITED HEALTH CARE FOR DEPENDENTS.—Section 1077(b) of title 10, United States Code, is amended by adding at the end the following:

''(4) Items or services (including any form of medical care) furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(c) PROHIBITED HEALTH CARE UNDER CHAMPUS.—

(1) SPOUSES AND CHILDREN OF MEMBERS.—Section 1079(a) of title 10, United States Code, is amended by adding at the end the following:

''(18) No contract for the provision of health-related services entered into by the Secretary may include coverage for any item or service (including any form of medical care) furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(2) OTHER COVERED BENEFICIARIES.—Section 1086(a) of title 10, United States Code, is amended—

(A) by inserting ''(1)'' after ''(a)'' the first place it appears; and

(B) by adding at the end the following:

''(2) No contract for the provision of health-related services entered into by the Secretary may include coverage for any item or service (including any form of medical care) furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 9. FEDERAL EMPLOYEES HEALTH BENEFIT PLANS.

Section 8902 of title 5, United States Code, is amended by adding at the end the following:

''(o) A contract may not be made or a plan approved which includes coverage for any benefit, item or service that is furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 10. HEALTH CARE PROVIDED FOR PEACE CORPS VOLUNTEERS.

Section 5(e) of the Peace Corps Act (22 U.S.C. 2504(e)) is amended—

(1) by inserting ''(1)(A)'' after ''(e)'';

(2) by striking ''Subject to such'' and inserting the following:

''(2) Subject to such''; and

(3) by adding at the end of paragraph (1) (as so designated by paragraph (1)), the following:

''(B) Health care provided under this subsection to volunteers during their service to the Peace Corps shall not include any item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 11. MEDICAL SERVICES FOR FEDERAL PRISONERS.

Section 4005(a) of title 18, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)''; and

(2) by adding at the end the following:

''(2) Services provided under this subsection shall not include any item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

SEC. 12. PROHIBITING USE OF ANNUAL FEDERAL PAYMENT TO DISTRICT OF COLUMBIA FOR ASSISTED SUICIDE OR RELATED SERVICES.

(a) IN GENERAL.—Title V of the District of Columbia Self-Government and Governmental Reorganization Act is amended by adding at the end the following:

''BAN ON USE OF FUNDS FOR ASSISTED SUICIDE AND RELATED SERVICES

''SEC. 504. None of the funds appropriated to the District of Columbia pursuant to an authorization of appropriations under this title may be used to furnish any item or service for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.''.

(b) CLERICAL AMENDMENT.—The table of sections of the District of Columbia Self-Government and Governmental Reorganization Act is amended by adding at the end of the items relating to title V the following:

''Sec. 504. Ban on use of funds for assisted suicide and related services.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments to the District of Columbia for fiscal years beginning with fiscal year 1998.

Mr. ASHCROFT. Mr. President, I am grateful for this opportunity to speak to my colleagues and to the American public about an item which is important and which demands our attention. It is an item of urgency. And because it is, I think it is important that we develop a sense of cooperation and that we act expeditiously.

A lot of comment is being heard these days about bipartisanship, the need to cooperate and to be partners and participants rather than being opponents and partisans. The measure about which I will speak today is one that has broad bipartisan support, and I think is something upon which cooperation is not only taking place, but one which will provide the basis for the ultimate passage of the legislation.

Members on both sides of the aisle agree that Federal health programs such as Medicare and Medicaid should provide a means to care for and to protect our citizens—not become vehicles for the destruction or impairment of our citizens.

The Declaration of Independence reads: ''We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.'' It is Congress' responsibility to defend the foremost of our inalienable rights—that of life.

In this spirit and understanding, I rise today to introduce with Senators DORGAN, NICKLES, FORD, and others, the Assisted Suicide Funding Restriction Act of 1997, a modest and a timely response to the threat that taxes paid by American citizens would be used to finance assisted suicide. What this bill simply says is that Federal tax dollars shall not be used to pay for and promote assisted suicide or euthanasia. We introduced such a bill in the 104th Congress, and have wide bipartisan support for this legislation, with 30 Members of the U.S. Senate as original cosponsors on the bill.

This bill is urgently needed to preserve the intent of our Founding Fathers and the integrity of Federal programs that serve the elderly and the seriously ill, programs which were intended to support and enhance human health and life, not to promote the destruction of human life.

Government's role in our culture should be to call us to our highest and best, to expand our capacity to take advantage of the opportunities of life, and to build our capacity for achievement. I do not believe that Government has a place in hastening Americans to their graves.

Our court system is, however, on the brink of allowing Federal-taxpayer-assisted suicide funding. This bill is intended to preempt and to prevent proactively such a morally contemptible practice as taking tax money from one American and using it to assist in the suicide of another American.

Let me be clear that this bill only affects Federal funding for actions whose direct purpose is to cause or to assist in causing suicide—actions that are clearly condemned as unethical by the American Medical Association and illegal in the vast majority of States. Again, this bill simply prohibits any Federal funding for medical actions that assist suicide.

Some might ask why we need such a law. It is because two Federal courts of appeals recently contradicted the positions of 49 States when they found that there is a Federal constitutional ''right'' to physician-assisted suicide. These cases involved New York and Washington State laws which prohibit physician-assisted suicide.

The State of Oregon recently passed Measure No. 16. That was the first law in the country that authorized the dispensing of lethal drugs to terminally ill patients to assist in suicide. Although a Federal court in Oregon struck down that law, the case has been to the ninth circuit, one of the appeals courts that has already signaled a strong indication that there is a constitutional right to assisted suicide.

Oregon's Medicaid director and the chairman of the Oregon Health Services Commission have both said that in the event that the ninth circuit would clear the way for Oregon's law to take effect, the federally funded Medicaid Program in Oregon would begin to pay for assisted suicide with public funds in that State. According to the Oregon authorities, the procedure would be listed on Medicaid reimbursement forms under the grotesque euphemism of ''comfort care.''

Unless we pass the Assisted Suicide Funding Restriction Act, Oregon could soon be drawing down Federal funds through its Medicaid Program to help pay for assisted suicides. Neither Medicaid, nor Medicare, nor any other Federal health program has explicit statutory language to prohibit the use of Federal funds to dispense lethal drugs for suicide primarily because no one in the history of these programs ever thought that they would be used to end the lives of individuals. We have always focused in these programs on seeking to extend rather than end the lives of Americans.

In fact, the Clinton administration's brief filed in the Supreme Court of the United States opposing physician-assisted suicide pointed out that:

> The Department of Veterans Affairs, which operates 173 medical centers, 126 nursing homes, and 55 inpatient hospices, has a policy manual that . . . forbids ''the active hastening of the moment of death.''

''The active hastening of the moment of death'' sounds a lot like assisted suicide to me.

Such guidelines also apply to the VA's hospice program, the military services, the Indian Health Service, and the National Institutes of Health.

Nonetheless, if the ninth circuit reinstates Oregon's Measure 16, Federal funds will be used for the so-called comfort care, also known as assisted suicide.

I believe we would be derelict in our duty if we were to ignore this problem and allow a few officials in one State to decide that the taxpayers of the other 49 States must help subsidize a practice that they have never authorized and that millions of Americans find to be morally abhorrent.

It is crystal clear that the American people do not want their tax dollars spent on assisting the suicide of individuals. Recently, a national Wirthlin poll showed that 87 percent of Americans oppose the use of public funds for this purpose. Even the voters of Oregon, who narrowly approved Measure 16 by a 51- to 49-percent margin, did not consider the question of public funding. The voters of two other west coast States, California and Washington, soundly defeated similar measures to authorize assisted suicide. Since November 1994, when Oregon passed its law, 15 other States have considered and rejected bills to legalize the practice. However, this bill does not talk about authorizing or prohibiting assisted suicide. It merely states that no Federal funds could be used to promote or assist suicide.

Let me just say a few words about the way the legislation is crafted. It is very limited. It is very modest, and I think that provides the basis for its bipartisan support.

It does not forbid a State to legalize assisted suicide, and it does not forbid using State funds for the practice. It merely prevents Federal funds and Federal programs from being drawn into promoting it.

The bill also does not attempt to resolve the constitutional issue that the Supreme Court considered last month when it heard the cases of Washington versus Glucksberg and Vacco versus Quill. These are right-to-suicide cases, and the bill does not attempt to answer this complex question. Nor would this legislation be affected by what the Supreme Court decides on the issue. Congress would still have the right to prevent Federal funding of such a practice even if the practice itself had the status of a constitutional ''right.''

As the bill's rule of construction clearly provides, this legislation does not affect any other life issue that some might have strong feelings about. The bill does not affect abortion, or complex issues such as the withholding or withdrawal of life-sustaining treatment, even of nutrition or hydration. Nor does it affect the dispersing of large doses of morphine or other drugs to ease the pain of terminal illness, even when this may carry the risk of hastening death as a side-effect—a practice that is legally accepted in all 50 States, and ethically accepted by the medical profession and even by pro-life and religious organizations. This bill is focused exclusively on prohibiting Federal funding for assisting suicide.

Finally, I am pleased to mention those organizations that have joined with us in endorsing this legislation. These include the American Medical Association, the Christian Coalition, the Family Research Council, Free Congress, the National Conference of Catholic Bishops, National Right to Life, and the Traditional Values Coalition. I ask unanimous consent to have printed in the RECORD a letter of support from the American Medical Association.

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

AMERICAN MEDICAL ASSOCIATION,
Chicago, IL, February 12, 1997.

Hon. JOHN ASHCROFT,
Washington, DC.

DEAR SENATOR ASHCROFT: The American Medical Association (AMA) is pleased to support the ''Assisted Suicide Funding Restriction Act of 1997'' which you are introducing in collaboration with Senator Dorgan. We believe that the prohibition of federal funding for any act that supports ''assisted suicide'' sends a strong message from our elected officials that such acts are not to be encouraged or condoned. The power to assist in intentionally taking the life of a patient is antithetical to the central mission of healing that guides physicians. While some patients today regrettably do not receive adequate treatment for pain or depression, the proper response is an increased effort to educate both physicians and their patients as to available palliative measures and multidisciplinary interventions. The AMA is currently designing just such a far-reaching, comprehensive effort in conjunction with the Robert Wood Johnson Foundation.

The AMA is particularly pleased to note that your bill acknowledges—in its ''Rules of Construction'' section—the appropriate role for physicians and other caregivers in end-of-life patient care. The Rules properly distinguish the passive intervention of withholding or withdrawing medical treatment or care (including nutrition and hydration) from the active role of providing the direct means to kill someone. Most important to the educational challenge cited above is the Rule of Construction which recognizes the medical principle of ''secondary effect,'' that is, the provision of adequate palliative treatment, even though the palliative agent may also foreseeably hasten death. This provision assures patients and physicians alike that legislation opposing assisted suicide will not chill appropriate palliative and end-of-life care. Such a chilling effect would, in fact, have the perverse result of increasing patients' perceived desire for a ''quick way out.''

The AMA continues to stand by its ethical principle that physician-assisted suicide is fundamentally incompatible with the physician's role as healer, and that physicians must, instead, aggressively respond to the needs of patients at the end of life. We are pleased to support this carefully crafted legislative effort, and offer our continuing assistance in educating patients, physicians and elected officials alike as to the alternatives available at the end of life.

Sincerely,

P. JOHN SEWARD, MD.

Mr. ASHCROFT. President Jefferson wrote in words that are now inscribed in the Jefferson Memorial here in Washington that the ''care and protection of human life, and not its destruction,'' are the only legitimate objectives of good government. Thomas Jefferson believed that our rights are God given and that life is an inalienable right. With this understanding and belief, I urge the Congress and the President to support this bill. It is a modest but necessary effort to uphold our basic principles by forbidding the Federal funding of assisted suicide.

Mr. President, I thank my colleague from North Dakota for his excellent work, his cooperation in this respect, and his emphasis on what this bill does and what it does not do. There is a narrow focus in this measure. We do not seek to preempt the ability of States to make decisions regarding their own laws, or individuals to make their own decisions. We are merely making reference to the fact that the Federal Government should not be financing assisted suicides.

I thank him for his outstanding work and for his excellent effort in developing this legislation, to narrowly focus it and target it in such a way that makes it possible for us to work together. I commend him.

Mr. ABRAHAM. Mr. President, I rise to express my strong support for the Assisted Suicide Funding Restriction Act. In so doing I side with the 87 percent of Americans who oppose the use

of tax dollars to pay for the cost of assisting suicide or euthanasia.

I find it deeply distressing, Mr. President, that we are in the throes of a legal and public policy debate over whether physicians should be given the power to end the lives of their patients. This controversy raises many troublesome questions concerning the duties of a physician, the nature of the doctor-patient relationship, the possibility of coerced suicide, and the very sanctity of life.

Some may find these questions difficult or even impossible to answer. But of one thing I am certain: the government has no right to use public moneys, the tax dollars paid by the American people, to support physician assisted suicide. Whatever their views on the rectitude of allowing doctors to assist their patients in ending their lives, I hope my colleagues will join with me in saying that such a controversial practice, which so many Americans find morally troubling, should not be the object of Federal largesse.

I congratulate my friends the Senator from North Dakota and the Senator from Missouri on their courage and conviction in submitting this bill, and urge my colleagues to join them in its support.

Mr. BURNS. Mr. President, as an original cosponsor of the Assisted Suicide Funding Restriction Act of 1997, I rise in strong support of this bill.

Mr. President, this bill simply prohibits Federal tax funds from being used to pay for or promote assisted suicide or euthanasia. Specifically, the bill will prevent Federal funding for items or services ''the purpose of which is to cause, or assist in causing, the suicide, euthanasia, or mercy killing of any individual.'' The prohibition will encompass Medicare, Medicaid, the Federal Employees Health Program, medical services for prisoners, and the military health care system.

This bill does not create any limitation with regard to the withholding or withdrawing of medical treatment or of nutrition or hydration, or affect funding for abortion or for alleviating pain or discomfort for patients.

The American people oppose taxpayer funding of assisted suicide by an overwhelming margin. In addition, the American Medical Association has endorsed this bill. Yet States are free to legalize assisted suicide, as Oregon has by referendum, and this raises the prospect of Federal Medicaid dollars being used to facilitate suicide. The Federal Government must not be in the business of promoting death. Let's listen to the American people and settle the question of publicly funding assisted suicide once and for all. I urge my colleague to join us in supporting the Assisted Suicide Funding Restriction Act of 1997.

● Mr. HUTCHINSON. Mr. President, I am pleased to express my support of the Assisted Suicide Funding Restriction Act of which I am a cosponsor. This bill would ensure that no Federal tax dollars are used to pay for or promote assisted suicide or euthanasia. In addition, it identifies those Federal programs which may not be sued to pay for assisted suicide. These programs include Medicare, Medicaid, Federal Employees Health Benefits plans, medical services for Federal prisoners, and the military health care system.

This bill also makes clear that Federal law will not require health care facilities, in States where assisted suicide has been legalized, to advise patients at the time of admission about their ''right'' to get lethal drugs for suicide.

This legislation is needed due to recent Federal court rulings which have declared a constitutional right to assisted suicide. The U.S. Supreme Court heard oral arguments in two cases on January 8 of this year to determine the constitutionality of those rulings. In addition, some States, such as Oregon, have legalized assisted suicide by referendum. These States may be tempted to consider using Federal funds and facilities to pay for these procedures. For this reason, we must send a clear message. The American people do not want their tax dollars used to pay for assisted suicides. In fact, a majority of Americans are strongly opposed to the very notion of assisted suicide. Counted among those in opposition are the American Medical Association whose physician members would be asked to play the role of moral arbitrator in the decision to end one's life.

The purpose of this bill and its guidelines are concise and clear. No limitations will be placed on the withholding or withdrawing of medical treatment. In addition, it does not affect funding for alleviating patient pain or discomfort.

An overwhelming majority of the American people believe their taxes should not be used to pay for assisted suicide or euthanasia. A national Wirthlin poll taken in November 1996 found that 87 percent of Americans did not believe their tax dollars should be used to pay for these procedures.

I ask my colleagues to join me in supporting this bill which guarantees every American that their tax dollars will not be used to pay for or promote assisted suicide or euthanasia.●

Mr. NICKLES. Mr. President, I rise today, and begin with these words: ''We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness.''

These profound words are possibly the most known words from our Declaration of Independence. They state a principle that is fundamental to who we are as a nation; life itself is a gift from our Creator, and it is a right that can not be taken away. We are a nation whose core philosophy is to care for its people.

As public servants, we deal with issues that affect the lives of people every day. Caring for people is the underlying aspect of almost every piece of legislation dealt with in the Senate, and nearly every issue we confront as a country.

But while we work to build up America, something is at work in the country, eating away at fundamentals we used to take for granted: in this case, the sanctity of life. It is no secret that I place a high value on life at its conception. But a disturbing trend has developed over the past few years, a devaluation of life as it nears its end.

Two years ago, I offered legislation banning the use of Medicaid and Medicare funds for assisted suicide in the 1995 balanced budget act. Unfortunately the President vetoed this legislation.

Today, I am proud to be a cosponsor of the legislation offered by Senators ASHCROFT and DORGAN, which prohibits any Federal funds from being used for assisted suicide, euthanasia or mercy killing. This means that hospitals, medical institutions, or health care providers are not required to participate in procedures they morally or ethically oppose.

The large majority of people oppose assisted suicide. In a Wirthlin poll taken November 5, 1996, 87 percent of the people asked said tax dollars should not be spent to pay for the cost of assisting suicide or euthanasia. A recent study by the Dana-Farber Cancer Institute in Boston, found that seriously ill cancer patients in severe pain are unlikely to ''approve of, or desire'' euthanasia or physician-assisted suicide, instead they desire ''only relief from their pain''.

Even the medical profession is opposed to assisted suicide. An amicus brief filed by the American Medical Association to the Supreme Court on November 12, 1996, contends assisted suicide ''will create profound danger for many ill persons with undiagnosed depression and inadequately treat pain, for whom assisted suicide rather than good palliative care could become the norm. At greatest risk would be those with the least access to palliative care—the poor, the elderly and members of minority groups.'' The brief concludes, ''Although, for some patients it might appear compassionate to hasten death, institutionalizing physician-assisted suicide as a medical treatment would put many more patients at serious risk for unwanted and unnecessary death.''

Dr. Joanne Lynn, board member of the American Geriatrics Society and director of the Center to Improve Care of the Dying at George Washington University said—Health Line, Jan. 8, 1997—''No one needs to be alone or in pain or beg a doctor to put an end to misery. Good care is possible.''

As Tracy Miller, former head of the New York Task Force on Life and Law said, ''It is far easier to assist patients in killing themselves than it is to care for them at life's end.''

The bill before us today is a major step in continuing to provide the care our elderly, poor, and seriously ill need and deserve. The bill would assure that the programs designed to support human life and health would not be transformed into implements of death. I commend the work of Senator ASHCROFT and Senator DORGAN in writing this legislation, compliment them upon its introduction today, and pledge to work with them to see it to passage in the 105th Congress. Our country deserves no less.

By Mr. D'AMATO (for himself, Ms. MOSELEY-BRAUN, Mr. CHAFEE, Mr. ROBB, Mr. REID, Mr. LIEBERMAN, Mr. SMITH of New Hampshire, Mr. DODD, Mr. BIDEN, Mr. CRAIG, Mr. ALLARD, Mr. MACK, Mr. GRASSLEY, Mr. KERREY, Mr. BOND, Mr. BURNS, Mr. HAGEL, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. BRYAN, Mr. DOMENICI, Mr. SPECTER, Mr. REED, Mr. JOHNSON, Mr. BENNETT, Mr. KOHL, Mr. HATCH, Mr. ENZI, Mr. SANTORUM, Mr. MOYNIHAN, Mrs. MURRAY, Mr. CLELAND, Ms. LANDRIEU, Mr. KERRY, Mrs. HUTCHISON, Mr. FAIRCLOTH, Mr. LOTT, Mr. GORTON, Mrs. FEINSTEIN, Mr. SESSIONS, Mr. COVERDELL, Mr. BROWNBACK, Mr. GRAMS, Mr. LUGAR, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. ROBERTS, Mr. SHELBY, and Mr. THOMAS):

S. 305. A bill to authorize the President to award a gold medal on behalf of the Congress to Francis Albert ''Frank'' Sinatra in recognition of his outstanding and enduring contributions through his entertainment career and humanitarian activities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

GOLD MEDAL LEGISLATION

Mr. D'AMATO. Mr. President, I rise this morning to introduce legislation on behalf of 48 Senators. I know and feel very strongly that when all of my colleagues are informed of the legislation that it will be unanimous and that all will join to authorize a congressional gold medal for Frank Sinatra. The time has come for Congress to acknowledge this great American and his contributions to the world of entertainment and society as a whole.

It is fitting that we honor this man in the autumn of his years, as we have honored Bob Hope, John Wayne, Marian Anderson and other great performers, not only for the fact of their entertainment and the wonderful gift that God bestowed upon them, but for so many other aspects in terms of their bond with America, its people, and their contributions.

Mr. President, this bill would authorize the U.S. Mint to commemorate the humanitarian and professional accomplishments of Frank Sinatra with a gold medal to be presented by the President on behalf of the Congress. In addition, bronze replicas of the original gold medal will be available to the general public for their private collection.

It is estimated that not only will we be doing great honor to Frank Sinatra, but, in addition, it will result in a very substantial profit to the Treasury because many will buy these replicas, and indeed millions of dollars can and will be raised by our Government.

Mr. President, Frank Sinatra has become one of the most, if not the most, recognizable vocalists in America and in the world. This talented man has singularly defined America's love affair with popular music for over five generations and has remained to this day a man of the people, a man who has brought pleasure to countless persons.

The tremendous, positive impact Frank Sinatra has on people throughout the world is truly phenomenal. His songs have become a standard for young and old alike. Indeed, this impact goes beyond song and it goes beyond adversity. Frank Sinatra knew adversity and he overcame it in his own career rising to great heights. He overcame the trials and tribulations during his life and became a great humanitarian.

Many people who adore Frank Sinatra and his music are not aware of that other side of the man—his generosity. Truly he could be called Mr. Anonymous because, Mr. President, unlike many who trumpet their generosity, who trumpet their gift giving, Mr. Sinatra did not do this. Indeed, he has raised literally hundreds of millions of dollars—not tens of millions—hundreds of millions of dollars for children, in particular, throughout the world, for those who were in need of help, whether it be for cancer, for AIDS, for retinitis pigmentosa—just name the charity and you will see that Francis Albert Sinatra most likely has been there, quietly giving of his time and his energy in caring for his fellow human being, giving back to the people of this country, throughout the length and breadth, establishing scholarships for young people, going back to his hometown and to his old high school to give of his time and his money. He took his wonderful gift of song and used it as a vehicle of benevolence.

Let me just touch on one of these as an example. Mr. Sinatra has raised $9 million for just one institution, a great cancer center, Sloan-Kettering, by holding five concerts. I do not know how many know that. He did not ask his publicist to go out and speak to that. The money raised by Frank Sinatra began programs whereby those who are in need of treatment and do not have the financial wherewithal will not be turned away. This is because of the generosity of Frank Sinatra.

Indeed, New Jersey can be rightfully proud of him, born in Hoboken in 1915 to parents of modest means. I am pleased that both of the Senators from New Jersey have joined in cosponsoring this legislation. Those of us in New York are so proud, and we also claim him as a son of New York. He has given us the gift of his great performances, and we particularly love his rendition of ''New York, New York.'' But look throughout the country, the great Windy City of Chicago, and how fitting that the senior Senator from Illinois has also joined in this tribute which is long overdue.

Mr. President, it cannot be denied that Frank Sinatra has had a remarkable career. Not long after reaching adolescence, he developed a keen love of music and the desire to perform. In high school he was responsible for screening and scheduling dance bands for Demarest High School's Wednesday night dances. In exchange for hiring musicians, he was permitted to sing a few songs with the different bands.

A dream was growing in the young Frank Sinatra—his dream of becoming a successful entertainer. By the age of 21, Frank Sinatra was a professional singer. His first group was the Three Flashes, a singing and dancing trio which later became the Hoboken Four. A few years later, Frank Sinatra's investment in vocal lessons would prove to be invaluable as his singing career propelled him into stardom.

In 1939, Frank Sinatra was hired by Harry James who had recently formed an orchestra of his own. The earliest performance reviews were not favorable, but Frank Sinatra persevered. Seven months later, he was hired away to join Tommy Dorsey's orchestra where he would formulate the essence of his signature singing style.

After a successful, 2-year tour with Tommy Dorsey, Frank Sinatra made the move to go out on his own in 1942. He recorded the first of numerous hit singles titled ''Night and Day.'' A year later he made his motion picture debut and had appeared in several movies by 1950. But, as quickly as Frank Sinatra found himself ''king of the hill, at the top of the heap,'' he found the constant demand on his time and talent contributing to a decline in his vocal quality.

By the end of 1952, he had lost his agent and his film and recording contracts. The ''voice'' was nearly lost as well. Frank Sinatra was once eloquently quoted saying: ''You have to scrape bottom to appreciate life and start living again.''

This personally and professionally trying time ended in 1953 with Frank Sinatra's award winning performance playing the role of Maggio in the production ''From Here to Eternity.'' The rebirth of his career was finally at hand. Frank Sinatra's new stardom quickly surpassed that which he had realized in the 1940's.

Beginning in the 1960's, Frank Sinatra's flourishing acclaim as a preeminent performer earned him the title ''Chairman of the Board.'' He established his own recording company, Reprise, and began recording again, this time with more conviction than ever before. Frank Sinatra orchestrated television specials which featured little-known musical talents, performed live for huge, adoring audiences and began

to evolve as a legend. By 1984, his singing repertoire included well over 50 albums and record sales in the hundreds of millions of dollars.

Throughout his entertainment career and rise to fame, Frank Sinatra worked tirelessly and steadfastly to cure some of the ills of society. In one of the most outstanding examples of his generosity, Frank Sinatra personally, and entirely, I might add, financed and donated his talent and superstardom along with other renowned performers for a world tour benefitting children's hospitals, orphanages, and schools in six countries. This whirlwind jaunt included 30 concerts in 10 weeks. And never once did Frank Sinatra seek glory from this feat through publicity or any other means.

Frank Sinatra's generosity has touched the lives of the underprivileged, the terminally and chronically ill, children, minorities and students not only in this country, but in Latin America, Israel, Europe, and Mexico. His works of goodwill have financed entire wings in hospitals, numerous scholarships, educational programs, and student centers. He has selflessly served as chairman on numerous boards for charities and councils borne out of sincerity, humility, and the goal of equality. If I could stand here and recite all of the things Frank Sinatra has done from his heart for his fellow man and woman, poor, old, young, sick and the like, and recited all of the awards this giant among us has received, I would be here all day.

Mr. President, since 1945 Frank Sinatra's national and international humanitarian activities have been recognized. Just as a small sampling, he has been awarded with the Lifetime Achievement Award from the NAACP, the Achievement Award from the Screen Actors Guild, the New York City Columbus Citizens Committee Humanitarian Award, the Kennedy Center Honors, the Scopus Award from the American Friends of Hebrew University, the Philadelphia Freedom Medal and the highest civilian honor in out country, the Medal of Freedom given to him by another American hero, President Ronald Reagan.

Mr. President, I ask unanimous consent that the text of the bill and a selection of charities Mr. Sinatra graciously donated to and honors he received be printed in the RECORD.

Mr. President, I must say to you that the idea and the driving force behind Congressional recognition of Francis Albert Sinatra in the autumn of his life came from a Congressman born in Puerto Rico. This Congressman recently told me the touching and true story of how he learned English at the age of five from Frank Sinatra. That Congressman is Congressman JOSE SERRANO. His father, a World War II veteran, came home from the war with a group of 78 RPM records. On those records was the melodic voice of Frank Sinatra. Congressman SERRANO said to me, ''Senator, I learned to speak English. I didn't know any English. When my father came home, as a youngster, I would play these records. Frank Sinatra has been my idol.'' Mr. Sinatra's voice filled the Serrano household then as it does today. I thank my colleague for his diligence in working to have Frank Sinatra placed in a league with other deserving performers and philanthropists.

Mr. President, let me conclude my remarks by citing a great song that Frank Sinatra popularized, ''My Way.'' I am not going to attempt the lyrics. I have sung on the Senate floor before and I promised Senator FORD I would not do so again, after his admonition. He was about to rise up and object. My mother cautioned me against attempting to sing again. But let me say when Frank Sinatra sings ''My Way,'' those words embody the spirit of this country, the spirit of giving people having the opportunity to do it their way, to rise, to climb to the heights that only America ensures.

My true hope is that before this legislation is enacted, we will have 100 cosponsors honoring a talented American, a gifted American, who has given so generously of himself not only in his performances but in terms of making this a better country and a better world for so many who are less fortunate.

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

S. 305

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

SECTION 1. FINDINGS.

The Congress finds that—

(1) Francis Albert ''Frank'' Sinatra has touched the lives of millions around the world and across generations through his outstanding career in entertainment, which has spanned more than 5 decades;

(2) Frank Sinatra has significantly contributed to the entertainment industry through his endeavors as a producer, director, actor, and gifted vocalist;

(3) the humanitarian contributions of Frank Sinatra have been recognized in the forms of a Lifetime Achievement Award from the NAACP, the Jean Hersholt Humanitarian Award from the Academy of Motion Picture Arts and Sciences, the Presidential Medal of Freedom Award, and the George Foster Peabody Award; and

(4) the entertainment accomplishments of Frank Sinatra, including the release of more than 50 albums and appearances in more than 60 films, have been recognized in the forms of the Screen Actors Guild Award, the Kennedy Center Honors, 8 Grammy Awards from the National Academy of Recording Arts and Science, 2 Academy Awards from the Academy of Motion Picture Arts and Sciences, and an Emmy Award.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of the Congress, a gold medal of appropriate design to Francis Albert ''Frank'' Sinatra in recognition of his outstanding and enduring contributions through his entertainment career and numerous humanitarian activities.

(b) DESIGN AND STRIKING.—For the purpose of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall strike a gold medal with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, overhead expenses, and the cost of the gold medal.

SEC. 4. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS; PROCEEDS OF SALE.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be charged against the Numismatic Public Enterprise Fund an amount not to exceed $30,000 to pay for the cost of the medal authorized by this Act.

(b) PROCEEDS OF SALE.—Amounts received from the sales of duplicate bronze medals under section 3 shall be deposited in the Numismatic Public Enterprise Fund.

Selection of general international awards for humanitarian and philanthropic contributions: Italian Star of Solidarity, Government of Italy '62, Commandeur De La Sante Publique, France '65 Medallion of Valor, State of Israel '72, Jerusalem Medal, City of Jerusalem, Israel '76, Primum Vivere (life first) Award, World Mercy Fund '79, Grand Ufficiale Dell' Ordine al Merito Della Repubblica Italiana, Italy '79 (presented by President Charles DeGaulle) Humanitarian Award, Variety Clubs International '80, Order of the Leopard, President of Bophuthatswana '81 (first white person to receive), and Knight of the Grand Cross, Knights of Malta, Sovereign Order of the Hospitaller of St. John of Jerusalem '85.

Selection of awards for national humanitarian and philanthropic contributions: American Unity Award for advancing the cause of better Americans '45, Commendation by Bureau of Inter-Cultural Education '45, Commendation by National Conference of Christians and Jews '45, Democratic America Award, Courageous Fight On Behalf Of All Minorities '46, Jefferson Award, Council Against Intolerance in America '46, Hollizer Memorial Award, LA Jewish Community '49, Distinguished Service Award, LA '71, Humanitarian Award, Friar's Club '72, Splendid American Award, Thomas A. Dooley Foundation '73, Man of the Year Award, March of Dimes '73, Man of the Year Award, Las Vegas '74, Certificate of Appreciation, NYC '76, Honorary Doctor of Humane Letters, University of Nevada '76, Freedom Medal, Independence Hall, PA '77, International Man of the Year Award, President Ford '79, Humanitarian Award, Columbus Citizens Committee, NY '79, First Member, Simon Weisenthal Center Fellows Society '80, Multiple Sclerosis Special Award, National Hope Chest Campaign '82, Kennedy Center Honors Award for Lifetime Achievement, '83, Boy Scouts of America Distinguished American Award, '84, Medal of Freedom, President Reagan '85, Lifetime of Achievement Award, National Italian-American Foundation '85, Coachella Valley Humanitarian Award, '86, and Lifetime Achievement Award, NAACP '87.

Selection of Charities and Foundations: Frank Sinatra Wing, Atlantic City Medical Center, New Jersey, Frank Sinatra Fund for outpatients with inadequate or exhausted medical insurance coverage, Sloan-Kettering

Cancer Center, New York Martin Anthony Sinatra Medical Education Center Desert Hospital, California, Frank Sinatra Child Care Unit, St. Jude's Children's Research Center, Tennessee, Sinatra Family Children's Unit for the Chronically Ill, Seattle Children's Orthopedic Hospital, Frank Sinatra Student Scholarship Fund, Hoboken, New Jersey, Frank Sinatra In School Scouting Program, Grape Street Elementary, Los Angeles, Frank Sinatra International Student Center, Hebrew University, Jerusalem, Frank Sinatra Youth Center for Christians, Moslems and Jews, Israel, San Diego State University Aztec Athletic Foundation, Variety Club International, World Mercy Fund, and National Multiple Sclerosis Campaign.

Mr. MOYNIHAN. Mr. President, I rise to join my colleague and friend, Senator D'AMATO, as a cosponsor of his bill to award a Congressional Gold Medal to Francis Albert Sinatra. Frank Sinatra is one of the most famous singers in the history of popular music. He is known as ''The Voice,'' ''Old Blue Eyes,'' and ''The Chairman of the Board.'' These nicknames attest as clearly as anything to his talent, his popular appeal, and his impact on American music.

Mr. Sinatra began his career with local bands in New Jersey. He joined Harry James' band in 1939, but began to achieve his great popularity touring with Tommy Dorsey from 1940 to 1942. His solo career began in 1943 and never ceased.

After conquering the musical world Mr. Sinatra began a film career that quickly earned him an academy award, in 1953, for his supporting role in ''From Here to Eternity.'' He went on to appear in some 50 movies.

Mr. President, New York has no official State song. For six decades now Frank Sinatra has entertained New Yorkers in music and film. His impact has been tremendous. But more than anything else his version of ''New York, New York'' has given us cheer, enjoyment, and pride. It is certainly the unofficial song for millions. Therefore, I am delighted to cosponsor this bill to award a Congressional Gold Medal to Frank Sinatra. I encourage my colleagues to join us.

By Mr. FORD:

S. 306. A bill to amend the Internal Revenue Code of 1986 to provide a decrease in the maximum rate of tax on capital gains which is based on the length of time the taxpayer held the capital asset; to the Committee on Finance.

CAPITAL GAINS LEGISLATION

Mr. FORD. Mr. President, today I am introducing capital gains legislation which I believe has the possibility of breaking through the impasse we have had on this issue for the last several years. My proposal is based not on political rhetoric, but on conversations I have had with constituents who support a commonsense approach on this issue.

My legislation would provide a sliding scale for capital gains relief, lowering the rate at which capital gains are taxed, based on how long the assets have been held. For every year an asset has been held, the applicable rate would be reduced by 2 percentage points. Assets held for more than 1 year would be taxed at no higher than the current 28 percent. Assets held for 2 years would be taxed at no higher than 26 percent. And so on, down to a rate of 14 percent. Assets held for more than 8 years would be taxed at a maximum rate of 14 percent.

I am introducing the legislation with three objectives in mind. First, I believe our efforts should be directed toward helping family farms and small family businesses. We do not need additional proposals to assist real estate speculators or those who specialize in putting Wall Street deals together. Most capital gains proposals we have considered in recent years provide a disproportionate benefit to those making six-figure salaries and above. It should be clear by now that we cannot pass a capital gains proposal that primarily benefits the wealthy. In my experience, those middle-class families that should be the focus of the debate get lost in the shuffle.

Second, using this proposal, I intend to work with others interested in the issue to attempt to develop a bipartisan coalition with middle class families in mind. There are few lasting legislative changes that have not been developed in a bipartisan way. This is particularly true in the area of tax policy. Capital gains reform has been a hot button campaign issue for several years, often being used in an attempt to secure partisan advantage. I think it is time to move beyond this stage. There are plenty of Members on both sides of the aisle interested in providing capital gains relief. I think we should attempt to find middle ground that takes into account the views of both Democrats and Republicans interested in this issue.

Third, we must face budget realities. It appears likely that any capital gains proposal which can pass this Congress must be included in an overall balanced budget package as part of a reasonable level of tax relief. Some of the capital gains proposals considered during the last Congress were estimated by the Congressional Budget Office to result in more than $40 billion being added to the Federal deficit over 7 years, requiring enormous offsets. Even the modified proposal included in the reconciliation package vetoed by the President was scored by CBO at more than $35 billion. I believe this is more than we can afford in the context of balancing the budget. It also seems to be far more than what is needed to target relief to middle-class families, and especially farmers and small businesses.

I am also aware of the criticism by some on the other side of the aisle that certain Democratic capital gains proposals are picking and choosing among certain types of assets, and therefore picking and choosing winners and losers. My proposal avoids that criticism. It would apply to all types of assets that are covered under current law. It is nondiscriminatory. However, because of the sliding-scale benefit based on the holding period, I believe the impact will be to provide the greatest benefit to middle-class families like those farm families and small businesses I have in mind.

So, Mr. President, it is my hope that this concept will be taken seriously in the spirit of reaching a bipartisan compromise on this issue. Mr. President, I ask unanimous consent to have printed in the RECORD a chart which demonstrates the operation of this capital gains proposal.

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

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

S. 306

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

SECTION 1. DECREASE IN MAXIMUM CAPITAL GAINS RATE BASED ON TAXPAYER'S HOLDING PERIOD.

(a) IN GENERAL.—Section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

''(h) MAXIMUM CAPITAL GAINS RATE.—

''(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

''(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the greater of—

''(i) taxable income reduced by the amount of the net capital gain, or

''(ii) the 15-percent bracket amount, plus

''(B) a tax equal to the sum of the amounts determined by applying the applicable percentage to long-term capital gain taken into account in computing net capital gain.

''(2) 15-PERCENT BRACKET AMOUNT.—For purposes of this subsection—

''(A) IN GENERAL.—The term '15-percent bracket amount' means the amount of taxable income taxed at a rate below 28 percent, determined without taking into account long-term capital gain attributable to a capital asset for which the taxpayers' holding period exceeds 8 years.

''(B) LIFO ORDERING RULE.—For purposes of applying paragraph (1)(B), the determination as to which long-term capital gain (if any) was taken into account in determining the 15-percent bracket amount shall be made on the basis of the holding period of the capital assets to which such gain is attributable, beginning with assets with the shortest holding period.

''(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1)—

''(A) IN GENERAL.—The term 'applicable percentage' means, with respect to any long-term capital gain, 28 percent reduced (but not below 14 percent) by 2 percentage points for each year (or fraction thereof) by which the taxpayer's holding period for the capital asset to which the gain is attributable exceeds 2 years.

''(B) LIMITATION ON GAIN TO WHICH PERCENTAGE APPLIES.—Subparagraph (A) shall not apply to long-term capital gain on any sale or exchange to the extent the gain exceeds the excess (if any) of—

''(i) net capital gain for the taxable year, over

''(ii) the sum of—

''(I) that portion of the 15-percent bracket amount which is attributable to net capital gain, plus

''(II) other long-term capital gain to which paragraph (1)(B) applies and which is attributable to capital assets for which the taxpayer's holding period is longer.

''(C) APPLICATION TO CLASSES OF GAIN.—Subject to such rules as the Secretary may prescribe, all long-term capital gain from the sale or exchange of capital assets with the same holding period (determined on the basis of the number of years or fractions thereof) shall be treated as gain from the sale or exchange of a single capital asset.

''(4) INVESTMENT INCOME.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer elects to take into account as investment income for the taxable year under section 163(d)(4)(B)(iii).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

FORD SLIDING SCALE CAPITAL GAINS PROPOSAL

Assets held for the following period	Would be subject to the lower of the current law capital gains rate or the rate listed below (in percent)
More than:	
1 year	28
2 years	26
3 years	24
4 years	22
5 years	20
6 years	18
7 years	16
8 years	14

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. MCCONNELL, and Mr. LEAHY):

S. 307. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to States of surplus personal property for donation to nonprofit providers of assistance to impoverished families and individuals, and for other purposes; to the Committee on Governmental Affairs.

THE FEDERAL SURPLUS PROPERTY DONATION ACT

• Mr. LUGAR. Mr. President, I use today to introduce the Federal Surplus Property Donations Act. This bill corrects an oversight by allowing nonprofit charitable organizations that primarily serve low-income people, to be eligible to receive Federal surplus personal property.

Under current law, Federal surplus property can be donated to State and local governments, schools, hospitals, and nonprofit organizations that serve the homeless. My bill would expand the eligibility to food banks, construction oriented charities, building material recycling warehouses, and similar nonprofit tax-exempt organizations that serve the poor. The bill does not give preference to these organizations, but simply adds them to the list of eligible recipients.

Charities that provide food and shelter assistance are major contributors to the safety net for the poor. As we look to charities to provide these important services to our Nation's low-income population, it is reasonable that we include them as eligible to receive surplus property. Excess property can be used creatively by these groups to lower expenses, thereby allowing charities to become more efficient. These nonprofit charitable organizations serving the poor are in great need of materials and equipment to build and repair homes, store food items, and deliver goods and services to those in need. We have already acknowledged that nonprofit charities serving the homeless should be eligible to receive these goods. This bill would recognize those charitable institutions which are providing shelter, food, and services to low-income Americans who may not be homeless.

Mr. President, this legislation would provide donated equipment and goods at lower costs than alternative approaches such as grants to charities. Furthermore, it is a wise use of moneys either paid in taxes or donated by generous citizens. Domestic charities will make good use of Federal surplus and invest moneys saved in expanded efforts to further help those in need.

The bill has bipartisan support. Cosponsoring the bill with me today are the ranking member of the Senate Agriculture, Nutrition and Forestry Committee, Senator TOM HARKIN, as well as the chairman and ranking member of the Nutrition Subcommittee, Senator MCCONNELL and Senator LEAHY. In addition, I am pleased to say that my Indiana colleague in the House, Congressman LEE HAMILTON, is introducing the same bill today.

Mr. President, I have personally supported various food banks in Indiana over the years. I am now proud to introduce a bill that will assist them in their continued efforts of serving the poor.

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

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

S. 307

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

SECTION 1. TRANSFER OF SURPLUS PERSONAL PROPERTY FOR DONATION TO PROVIDERS OF ASSISTANCE TO IMPOVERISHED FAMILIES AND INDIVIDUALS.

Section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(3)(B)) is amended by inserting after ''homeless individuals'' the following: '', providers of assistance to families or individuals with annual income below the poverty line (as defined in section 673 of the Community Services Block Grant Act (42 U.S.C. 9902)),''.•

By Mr. THOMAS (for himself and Mr. ENZI):

S. 308. A bill to require the Secretary of the Interior to conduct a study concerning grazing use of certain land within and adjacent to Grand Teton National Park, WY, and to extend temporarily certain grazing privileges; to the Committee on Energy and Natural Resources.

THE GRAND TETON NATIONAL PARK ACT OF 1997

• Mr. THOMAS. Mr. President, today I introduce legislation designed to protect open space near and around Grand Teton National Park. Currently, open space near the park, with its majestic, signature vistas and abundant wildlife, continues to decline. As the population grows in Teton County, WY, undeveloped land near the park becomes more scarce. This loss of open space negatively impacts wildlife migration routes in the area and diminishes the experience of visitors to the region. The repercussions due to the loss of open space can be felt throughout the entire area. As stewards, we must act now to preserve the view and make such a value a component of our environmental agenda.

A few working ranches make up Teton Valley's remaining open space. These ranches depend on grazing in Grand Teton National Park for summer range to maintain their operations. The original act creating the park allowed several permittees to continue grazing in the area for the life of a designated heir in the family. Unfortunately, the last remaining heirs have died and their family's grazing privileges are going to be terminated. As a result, the open space around the park, which remains available due to the viability of these ranch operations, will most likely be subdivided and developed.

The legislation I am introducing today is designed to help continue to protect open space in Teton Valley. In order to develop the best solution to protect open space near Teton Park, my legislation directs the National Park Service to conduct a 3-year study of grazing in the area and its impact on open space in the region. This report should develop workable solutions that are fiscally responsible and conscious of the preservation of open space. The study will be conducted by the National Park Service with input from citizens, local government officials, and the landowners in the area.

With the approach of the spring and summer grazing season, it is vital for the Congress to act on this legislation as quickly as possible. I look forward to working with the National Park Service on this important matter to preserve and protect open space in Teton Valley. Grand Teton National Park is truly one of the treasures of our Nation and this legislation will help preserve this wonderful area for many years to come.•

By Mr. AKAKA:

S. 309. A bill to amend title 38, United States Code, to prohibit the establishment or collection of parking fees by the Secretary of Veterans Affairs at any parking facility connected with a Department of Veterans Affairs medical facility operated under a health-

care resources sharing agreement with the Department of Defense; to the Committee on Veterans' Affairs.

DEPARTMENT OF VETERANS AFFAIRS LEGISLATION

• Mr. AKAKA. Mr. President, I offer a bill to allow the Department of Veterans Affairs [VA] to waive fees at joint parking facilities with the Department of Defense [DOD].

Currently, the VA is required to charge its users and employees to park at facilities built with special revolving funds. There is no exemption to this fee requirement for joint VA/DOD facilities, which results in an administrative nightmare for a parking facility in Hawaii.

The VA parking structure at Tripler Army Medical Hospital will be shared by VA and DOD. While the law currently requires VA visitors and medical staff to pay for parking, DOD visitors and personnel are exempt from such a charge.

Determining who is a VA or DOD visitor to the facility will be difficult to administer without creating a bureaucratic ordeal. Under the current situation, only VA medical employees at Tripler will be required to pay for parking. Visitors, DOD personnel, and VA regional employees would not be charged for parking.

In addition, any VA medical employee who is also a DOD retiree would be exempt from the parking charge, because DOD retirees receive free parking at DOD facilities.

Thus, only VA medical personnel who are not DOD retirees will be required to pay for parking. The cost to administer this parking fee will far outweigh the revenues received. Since parking fees are determined by surrounding area facilities and since Tripler is located in a residential area, parking fees for the Tripler facility would be nominal. Therefore, I am submitting legislation which will allow joint VA/DOD parking facilities to be exempt from the current statute.•

By Mr. FORD:

S. 312. A bill to revise the boundary of the Abraham Lincoln Birthplace National Historic Site in Larue County, KY, and for other purposes; to the Committee on Energy and Natural Resources.

KNOB CREEK FARM LEGISLATION

Mr. FORD. Mr. President, on this the 188th anniversary of the birth of Abraham Lincoln, 16th President of the United States of America and one of Kentucky's greatest native sons, I am introducing legislation to expand the boundaries of the Abraham Lincoln Birthplace National Historic Site to include Knob Creek Farm, Lincoln's boyhood home from the ages of 2 to nearly 8. Located in Larue County near Hodgenville, KY, Knob Creek Farm is where President Lincoln learned some of his earliest lessons of life; lessons which helped mold the man who would go on to lead our Nation through one of the most important and trying periods in American history. I feel it is appropriate to honor the legacy of this great leader by including Knob Creek Farm in the National Historic Site.

Under this legislation, the cost of acquiring Knob Creek Farm would not fall to the American taxpayer, but would instead be borne by the private sector. The National Park Trust, a private land conservancy dedicated to protecting America's natural and historical treasures, has been raising private funds and is currently negotiating to purchase the 228-acre family-owned farm, located approximately 10 miles from the existing Historic Site. After acquiring the farm, which is listed on the National Register of Historic Places, the trust would donate the land to the Park Service.

Thomas Jefferson once wrote, ''A morsel of genuine history is a thing so rare as to be always valuable.'' Well, Mr. President, I think Knob Creek Farm represents just such a morsel, and including it in the Abraham Lincoln Birthplace National Historic Site will allow current and future generations of Americans to share in the rare educational value of this historical property.

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

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

S. 312

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

SECTION 1. REVISION OF BOUNDARY OF ABRAHAM LINCOLN BIRTHPLACE NATIONAL HISTORIC SITE.

(a) IN GENERAL.—On acquisition of the land known as Knob Creek Farm pursuant to subsection (b), the boundary of the Abraham Lincoln Birthplace National Historic Site, established by the Act of July 17, 1916 (39 Stat. 385, chapter 247; 16 U.S.C. 211 et seq.), is revised to include the land.

(b) ACQUISITION OF KNOB CREEK FARM.—The Secretary of the Interior may acquire, by donation only, the approximately 228 acres of land known as Knob Creek Farm in Larue County, Kentucky.

SEC. 2. STUDY OF SURROUNDING RESOURCES.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall study the area between and surrounding the Abraham Lincoln Birthplace National Historic Site and the Knob Creek Farm in Larue County, Kentucky.

(b) PURPOSE.—The purpose of the study shall be to—

(1) protect the resources of the Knob Creek Farm from incompatible adjacent land uses; and

(2) identify significant resources associated with the early boyhood of Abraham Lincoln.

(c) CONSIDERATIONS OF AREA STUDIED.—In examining the area under study, the Secretary shall consider—

(1) whether the area—

(A) possesses nationally significant natural, cultural, or recreational resources;

(B) represents an important example of a particular resource type in the country;

(C) is a suitable and feasible addition to the National Park System; and

(D) is appropriate to ensure long-term resource protection and visitor use;

(2) the public use potential of the area;

(3) the potential outdoor recreational opportunity provided by the area;

(4) the interpretive and educational potential of the area;

(5) costs associated with the acquisition, development, and operation of the area;

(6) the socioeconomic impacts of a designation of the area as part of the Abraham Lincoln Birthplace National Historic Site; and

(7) the level of local and general public support for designating the area as part of the Abraham Lincoln Birthplace National Historic Site.

(d) RESOURCES OF AREA STUDIED.—In examining a resource of the area under study, the Secretary shall consider—

(1) the rarity and integrity of the resource;

(2) the threats to the resource, and

(3) whether similar resources are already protected in the National Park System or in other Federal, State, or private ownership.

(e) MANAGEMENT.—

(1) IN GENERAL.—The study shall consider whether direct National Park Service management or alternative protection by other agencies or the private sector is appropriate for the area under study.

(2) IDENTIFICATION OF ALTERNATIVES.—The study shall identify which alternative or combination of alternatives would be most effective and efficient in protecting significant resources and providing for public enjoyment.

(f) SUBMISSION.—The Secretary shall submit the study to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the State.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. BROWNBACK (for himself and Mr. ROBERTS):

S. 313. A bill to repeal a provision of the International Air Transportation Competition Act of 1979 relating to air transportation from Love Field, TX; to the Committee on Commerce, Science, and Transportation.

THE WRIGHT AMENDMENT REPEAL ACT OF 1997

Mr. BROWNBACK. Mr. President, the distinguished Senator from Kansas [Mr. ROBERTS] joins with me today in offering this bill to address an injustice that has developed out of current law.

Under current law, commercial air carriers are prohibited from providing service between Dallas' Love Field and points located outside of Texas or its four surrounding States. This effectively limits travel into and out of this airport to destinations only in Texas, Louisiana, Oklahoma, Arkansas, and New Mexico. Flights originating from any other State must fly into the Dallas-Fort Worth Airport in order to have access to the highly traveled Dallas area.

The original intent of the Wright amendment was to protect the then relatively new Dallas-Fort Worth Airport. It is now the third busiest airport in the country and no longer needs to be protected from competition. The amendment distorts the free market and condones anticompetitive law; it also limits travel and forces passengers to pay artificially and unreasonably high airfare. Furthermore, it causes unnecessary delay and inconvenience

for passengers, especially the disabled, elderly, and those traveling with small children. Finally, Dallas is the top destination for passengers flying from Wichita and this restriction denies Kansas lower fares.

This restriction not based on any standards appropriate for the airline industry. It is not based on mileage flown, size of the city serviced, or noise generated by the aircraft. Instead, it is an outdated restriction based on political boundaries which were in place before the advent of airplanes.

As a law that is based on political concerns rather than practical realities, this is a prime example of unwarranted and unnecessary government regulation. It is a prime example of a lack of common sense and it is a prime example of why so many Americans have lost confidence in their Government.

The Wright amendment is wrong for America, and I urge my colleagues to join me in correcting this biased situation.

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

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

S. 313

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

SECTION 1. REPEAL OF PROVISION RELATING TO LOVE FIELD, TEXAS.

Section 29 of the International Air Transportation Competition Act of 1979 (94 Stat. 48) is repealed.

By Mr. THOMAS (for himself, Mr. HAGEL, Mr. KYL, Mr. ENZI, Mr. BROWNBACK, and Mr. CRAIG):

S. 314. A bill to require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes; to the Committee on Governmental Affairs.

THE FREEDOM FROM GOVERNMENT COMPETITION ACT OF 1997

Mr. THOMAS. Mr. President, I rise to introduce a bill that is one of my top priorities for this Congress. It is called the Freedom from Government Competition Act. It is I think a common sense, good Government reform bill. I am joined in the effort by Senators HAGEL, KYL, ENZI, BROWNBACK, and CRAIG.

This legislation has the potential to open up a $30 billion market for the Nation's small and large businesses. It is designed to level the playing field for thousands of businesses that span the economic spectrum of this country from the mundane to the high tech. It will also provide a more efficient Government, one that works better and costs less.

Government competition with the private sector is a growing problem. Over the last 40 years, it has been the Federal policy of saying let us do those things that are commercial in the private sector, but it has not worked. We have not moved toward that goal. The bureaucracy has not found ways and means to procure goods and services from the private sector. For example, CBO has estimated that 1.4 million employees work in areas that are commercial in nature. We need a statutory provision to correct this problem.

In order to reach the goal of a balanced budget, we need to rely, I believe, on the private sector for many of the Federal Government's needs. Various studies indicate that we can save up to $30 billion annually doing this. This competition, of course, not only wastes taxpayers' money but it stunts job growth in the private sector, stifles economic growth, erodes the tax base and hurts small businesses. And it has been one of the top priorities in the three meetings of the White House Conference on Small Business.

The bill basically codifies the 40-year-old Federal policy and that is to use the private sector. There are exceptions to this policy laid out in the bill: those functions that are inherently governmental, those goods and services that are in the interest of national security, goods or services that the Federal Government can provide better at a better value than the private sector, and goods and services, of course, that the private sector cannot provide.

This bill establishes a system where OMB can identify those functions to properly stay within the Federal establishment and those that can better be done by the private sector. This legislation establishes an office of commercial activities within OMB to do that. No longer is the agency that is charged with doing the contracting the one that makes decisions of whether it will be contracted or not.

Certainly we are all sensitive to Federal employees' concerns should they be impacted. For those who are displaced, we have included provisions that facilitate transition to the private sector if they choose to follow that path.

The intention of the legislation is to get agencies to focus on their core missions. This focus will ensure a better value to American taxpayers. I do not wish to abolish all Government functions. But I am saying that there is private sector expertise waiting to be utilized.

Congressman DUNCAN in the House has introduced a companion bill. It also was introduced today.

The U.S. Senate is already on record as supporting this concept. Last year you may recall the Senate voted 59 to 39 in favor of an amendment I offered on the Treasury-Postal appropriations bill that would have prevented unfair Government competition with the private sector. However, it was dropped from the omnibus spending package. This comprehensive legislation builds on that success.

Also, last year the Senate Governmental Affairs Committee held a hearing on this bill. We received some good input and have made some changes in the bill based on it. I look forward to working with my colleagues on both sides of the aisle on this legislation. I think the political climate is right for enacting this concept.

Finally, it is a fairly simple bill. It says that we still believe in the philosophy of having the private sector do those things that are commercial in nature. This legislation lays out a system for doing that, identifying those things that are inherently governmental and those goods and services that can be done in the private sector. It's an idea this Congress really ought to consider. It would be a money saver. It is philosophically right, it will help the private sector a great deal and give taxpayers a bigger bang for their buck.

I ask unanimous consent that the following materials be printed in the RECORD: A copy of the bill, a section-by-section analysis, a list of groups endorsing the bill, a letter of endorsement from the U.S. Chamber of Commerce, and a letter of endorsement from the Business Coalition for Fair Competition.

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

S. 314

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 ''Freedom From Government Competition Act of 1997''.

SEC. 2. FINDINGS.

Congress finds and declares that—

(1) private sector business concerns, which are free to respond to the private or public demands of the marketplace, constitute the strength of the American economic system;

(2) competitive private sector enterprises are the most productive, efficient, and effective sources of goods and services;

(3) government competition with the private sector of the economy is detrimental to all businesses and the American economic system;

(4) government competition with the private sector of the economy is at an unacceptably high level, both in scope and in dollar volume;

(5) when a government engages in entrepreneurial activities that are beyond its core mission and compete with the private sector—

(A) the focus and attention of the government are diverted from executing the basic mission and work of that government; and

(B) those activities constitute unfair government competition with the private sector;

(6) current laws and policies have failed to address adequately the problem of government competition with the private sector of the economy;

(7) the level of government competition with the private sector, especially with small businesses, has been a priority issue of each White House Conference on Small Business;

(8) reliance on the private sector is consistent with the goals of the Government Performance and Results Act of 1993 (Public Law 103–62);

(9) reliance on the private sector is necessary and desirable for proper implementation of the Federal Workforce Restructuring Act of 1994 (Public Law 103–226);

(10) it is in the public interest that the Federal Government establish a consistent policy to rely on the private sector of the economy to provide goods and services that are necessary for or beneficial to the operation and management of Federal Government agencies and to avoid Federal Government competition with the private sector of the economy; and

(11) it is in the public interest for the private sector to utilize employees who are adversely affected by conversions to use of private sector entities for providing goods and services on behalf of the Federal Government.

SEC. 3. RELIANCE ON THE PRIVATE SECTOR.

(a) GENERAL POLICY.—Notwithstanding any other provision of law, except as provided in subsection (c), each agency shall procure from sources in the private sector all goods and services that are necessary for or beneficial to the accomplishment of authorized functions of the agency.

(b) PROHIBITIONS REGARDING TRANSACTIONS IN GOODS AND SERVICES.—

(1) PROVISION BY GOVERNMENT GENERALLY.—No agency may begin or carry out any activity to provide any products or services that can be provided by the private sector.

(2) TRANSACTIONS BETWEEN GOVERNMENTAL ENTITIES.—No agency may obtain any goods or services from or provide any goods or services to any other governmental entity.

(c) EXCEPTIONS.—Subsections (a) and (b) do not apply to goods or services necessary for or beneficial to the accomplishment of authorized functions of an agency under the following conditions:

(1) Either—

(A) the goods or services are inherently governmental in nature within the meaning of section 6(b); or

(B) the Director of the Office of Management and Budget determines that the provision of the goods or services is otherwise an inherently governmental function.

(2) The head of the agency determines that the goods or services should be produced, provided, or manufactured by the Federal Government for reasons of national security.

(3) The Federal Government is determined to be the best value source of the goods or services in accordance with regulations prescribed pursuant to section 4(a)(2)(C).

(4) The private sector sources of the goods or services, or the practices of such sources, are not adequate to satisfy the agency's requirements.

SEC. 4. ADMINISTRATIVE PROVISIONS.

(a) REGULATIONS.—

(1) OMB RESPONSIBILITY.—The Director of the Office of Management and Budget shall prescribe regulations to carry out this Act.

(2) CONTENT.—

(A) PRIVATE SECTOR PREFERENCE.—Consistent with the policy and prohibitions set forth in section 3, the regulations shall emphasize a preference for the provision of goods and services by private sector sources.

(B) FAIRNESS FOR FEDERAL EMPLOYEES..—In order to ensure the fair treatment of Federal Government employees, the regulations—

(i) shall not contravene any law or regulation regarding Federal Government employees; and

(ii) shall provide for the Director of the Office of Management and Budget, in consultation with the Director of the Office of Personnel Management, to furnish information on relevant available benefits and assistance to Federal Government employees adversely affected by conversions to use of private sector entities for providing goods and services.

(C) BEST VALUE SOURCES.—

(i) STANDARDS AND PROCEDURES.—The regulations shall include standards and procedures for determining whether it is a private sector source or an agency that provides certain goods or services for the best value.

(ii) FACTORS CONSIDERED.—The standards and procedures shall include requirements for consideration of analyses of all direct and indirect costs (performed in a manner consistent with generally accepted cost-accounting principles), the qualifications of sources, the past performance of sources, and any other technical and noncost factors that are relevant.

(iii) CONSULTATION REQUIREMENT.—The Director shall consult with persons from the private sector and persons from the public sector in developing the standards and procedures.

(D) APPROPRIATE GOVERNMENTAL ACTIVITIES.—The regulations shall include a methodology for determining what types of activities performed by an agency should continue to be performed by the agency or any other agency.

(b) COMPLIANCE AND IMPLEMENTATION ASSISTANCE.—

(1) OMB CENTER FOR COMMERCIAL ACTIVITIES.—The Director of the Office of Management and Budget shall establish a Center for Commercial Activities within the Office of Management and Budget.

(2) RESPONSIBILITIES.—The Center—

(A) shall be responsible for the implementation of and compliance with the policies, standards, and procedures that are set forth in this Act or are prescribed to carry out this Act; and

(B) shall provide agencies and private sector entities with guidance, information, and other assistance appropriate for facilitating conversions to use of private sector entities for providing goods and services on behalf of the Federal Government.

SEC. 5. STUDY AND REPORT ON COMMERCIAL ACTIVITIES OF THE GOVERNMENT.

(a) ANNUAL PERFORMANCE PLAN.—Section 1115(a) of title 31, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; and''; and

(3) by adding at the end the following:

''(7) include—

''(A) the identity of each program activity that is performed for the agency by a private sector entity in accordance with the Freedom From Government Competition Act of 1997; and

''(B) the identity of each program activity that is not subject to the Freedom From Government Competition Act of 1997 by reason of an exception set forth in that Act, together with a discussion specifying why the activity is determined to be covered by the exception.''.

(b) ANNUAL PERFORMANCE REPORT.—Section 1116(d)(3) of title 31, United States Code, is amended—

(1) by striking ''explain and describe,'' in the matter preceding subparagraph (A);

(2) in subparagraph (A), by inserting ''explain and describe'' after ''(A)'';

(3) in subparagraph (B)—

(A) by inserting ''explain and describe'' after ''(B)''; and

(B) by striking ''and'' at the end;

(4) in subparagraph (C)—

(A) by inserting ''explain and describe'' after ''infeasible,''; and

(B) by inserting ''and'' at the end; and

(5) by adding at the end the following:

''(D) in the case of an activity not performed by a private sector entity—

''(i) explain and describe whether the activity could be performed for the Federal Government by a private sector entity in accordance with the Freedom From Government Competition Act of 1997; and

''(ii) if the activity could be performed by a private sector entity, set forth a schedule for converting to performance of the activity by a private sector entity;''.

SEC. 6. DEFINITIONS.

(a) AGENCY.—As used in this Act, the term ''agency'' means the following:

(1) EXECUTIVE DEPARTMENT.—An executive department as defined by section 101 of title 5, United States Code.

(2) MILITARY DEPARTMENT.—A military department as defined by section 102 of such title.

(3) INDEPENDENT ESTABLISHMENT.—An independent establishment as defined by section 104(1) of such title.

(b) INHERENTLY GOVERNMENTAL GOODS AND SERVICES.—

(1) PERFORMANCE OF INHERENTLY GOVERNMENTAL FUNCTIONS.—For the purposes of section 3(c)(1)(A), goods or services are inherently governmental in nature if the providing of such goods or services is an inherently governmental function.

(2) INHERENTLY GOVERNMENTAL FUNCTIONS DESCRIBED.—

(A) FUNCTIONS INCLUDED.—For the purposes of paragraph (1), a function shall be considered an inherently governmental function if the function is so intimately related to the public interest as to mandate performance by Federal Government employees. Such functions include activities that require either the exercise of discretion in applying Federal Government authority or the making of value judgments in making decisions for the Federal Government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as to—

(i) bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;

(ii) determine, protect, and advance its economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

(iii) significantly affect the life, liberty, or property of private persons;

(iv) commission, appoint, direct, or control officers or employees of the United States; or

(v) exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the control or disbursement of appropriated and other Federal funds.

(B) FUNCTIONS EXCLUDED.—For the purposes of paragraph (1), inherently governmental functions do not normally include—

(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials;

(ii) any function that is primarily ministerial or internal in nature (such as building security, mail operations, operation of cafeterias, laundry and housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management and operations, or other routine electrical or mechanical services); or

(iii) any good or service which is currently or could reasonably be produced or performed, respectively, by an entity in the private sector.

FREEDOM FROM GOVERNMENT COMPETITION ACT—SECTION-BY-SECTION ANALYSIS

Sec. 1. Bill entitled ''Freedom from Government Competition Act.''

Sec. 2. Establishes findings and declarations, including—The private sector constitutes the strength of the American economy; Private sector is the most efficient provider of goods and services; Government

competition is harmful to the private sector, including small business and has been identified as such by the three sessions of the White House Conference on Small Business (1980, 1986, 1994); Entrepreneurial government diverts agencies from their core missions and results in unfair government competition with the private sector; Current laws and policies have failed to address the problem; Reliance on the private sector is consistent with recently enacted government reform legislation, including the Government Performance and Results Act and Federal Workforce Restructuring Act; and It is in the public interest to rely on the private sector for commercially available goods and services and to assist those government employees adversely affected by conversions of government activities to the private sector.

Sec. 3. Establishes a general policy of reliance on the private sector.

Provides that the government should rely on the private sector for goods and services except under certain conditions (listed below). The government may not obtain goods and services from or provide goods and services to any other governmental entity.

Provide exceptions to this general policy for—Goods or services that are ''inherently governmental'' in nature as defined in the bill or as determined by OMB; Goods or services that must be provided by the government for reasons of national security; Goods or services for which the Federal government is the ''best value'' source; and Goods or services for which private sector capabilities or practices are not adequate to satisfy the government's requirements.

Sec. 4. Provides administrative provisions to implement the Act.—Authorizes OMB to prescribe regulations to implement the Act; Requires regulations to be consistent with the policy of preference for the private sector as established in section 3; Establishes regulations to preserve existing Federal employee benefits and requires OMB consultation with OPM on providing information to Federal employees on relevant benefits and assistance for those affected by a conversion of an activity from government to private sector performance; Requires OMB regulations to create level playing field for determination of the ''best value'' (see Sec. 3 above), including all direct and indirect costs (in accordance with accepted cost-accounting principles), qualifications, past performance and other technical and non-cost factors, developed in consultation with the public and private sector; Requires OMB to establish a process for determining activities that should continue to be performed by the government; and Establishes a ''Center for Commercial Activities'' in OMB to implement the Act, assure proper compliance, and provide guidance, information and assistance to agencies and the private sector on converting activities from the government to the private sector.

Sec. 5. Requires studies and reports on implementation of the Act.—Rather than creating new reporting requirements, the bill amends the Government Performance and Results Act to include annual reports on agency activities converted to contract and those maintained in-house by the agency. Also requires establishment of a schedule for converting to the private sector those activities that can be performed by the private sector.

Sec. 6. Provides definitions of terms used in the Act.—Defines ''agency'' consistent with existing law; and Defines ''inherently governmental'' consistent with the existing Office of Federal Procurement Policy definition. (OFPP Letter 92–1).

GROUPS SUPPORTING THE ''FREEDOM FROM GOVERNMENT COMPETITION ACT''

National Federation of Independent Businesses (NFIB), U.S. Chamber of Commerce, American Consulting Engineers Council (ACEC), ACIL (Formerly the American Council of Independent Laboratories), Business Coalition for Fair Competition (BCFC), Business Executives for National Security (BENS), Contract Services Association, Design Professionals Coalition, Management Association for Private Photogrammetric Surveyors (MAPPS), Procurement Roundtable, Professional Services Council (PSC), and Small Business Legislative Council.

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, DC, February 5, 1997.

Members of the United States Senate:

The ''Freedom from Government Competition Act of 1997'' (FFGCA), to be introduced by Senator Thomas, is a common sense bill that requires federal agencies and departments to procure goods and services from the private sector whenever possible. The bill precludes federal offices from starting or carrying on any activity if that product or service can be provided by a commercial source. The U.S. Chamber of Commerce strongly urges you to co-sponsor this legislation.

A balanced federal budget is a bipartisan goal that is the Chamber's top priority. Reducing government infrastructure and overhead is a necessary step in reaching a balanced budget, yet federal agencies and departments continue to perform countless services and functions that could be performed more efficiently and cost effectively by competitive private sector enterprises, saving billions of dollars annually. Additionally, government competition with the private sector is at an unacceptably high level, both in scope and in dollar volume.

The Freedom from Government Competition Act establishes a consistent government policy that relies upon the private sector to provide goods and services necessary for the operation and management of federal agencies and departments. This policy will serve as an important tool to ensure the reduction of unnecessary infrastructure and overhead that is critical to balanced budget initiatives.

The FFGCA provides exceptions to the bill, however, for goods or services that are inherently governmental, necessary for national security, or are so unique or of such a nature that they must be performed by the government. The bill requires equal cost comparison of public and private functions and exempts goods and services performed by the government if the production or manufacture by a government source represents the best overall value.

The U.S. Chamber believes broad Congressional support for legislation such as the Freedom from Government Competition Act is vital to achieving a balanced budget and urges your co-sponsorship of this bill as an important indication of your support of small business. For further information please contact Chris Jahn of Senator Thomas' staff at 224–6441 or Jody Olmer of the U.S. Chamber at (202) 463–5522.

Sincerely,

R. BRUCE JOSTEN.

BUSINESS COALITION FOR
FAIR COMPETITION,
Annandale, VA, February 12, 1997.

Hon. CRAIG THOMAS,
Washington, DC.

SENATOR THOMAS: We write to support the Freedom From Government Competition Act of 1997.

When the delegates to the White House Conference on Small Business (June 1995) made unfair competition by governments and nonprofits one of their top issues they had in mind the dramatic way in which the U.S. government competes unfairly with small businesses.

Of 434 issues, the following recommendation by 1,800 elected and appointed delegates was one of their top fifteen:

Government and Nonprofit Competition.—Support fair competition: Congress should enact legislation that would prohibit agencies, tax-exempt and antitrust-exempt organizations from engaging in commercial activities in direct competition with small businesses. (Foundation for a New Century: A Report to the President and Congress, by the White House Conference on Small Business, September 1995.)

This recommendation originated at the state level where delegates complained that a major competitor for many small businesses is the Federal government.

FREEDOM FROM GOVERNMENT COMPETITION ACT

Currently, hundreds of thousands of Federal employees are producing billions of dollars worth of products and services.

This bill establishes as new national policy full and uncompromised reliance on the private sector for goods and services.

This historic and precedent-setting legislation would for the first time eliminate government competition as a matter of national policy.

The Business Coalition for Fair Competition, a coalition of national associations, supports the Freedom From Government Competition Act which states that government may conduct only operations that are so ''inherently governmental'' that the public interest requires production or performance by a Government employee. For example, the definition of ''inherently'' would only apply to such narrowly defined areas as specific parts of law enforcement and armed forces missions. The bill allows the government to do the work if ''there is no private source capable of providing the good or service.'' In the case of commercial activities, private industry can do almost everything any government needs done.

EXECUTIVE BRANCH PROPOSALS

In 1993, Vice President Gore stated: ''Every federal agency needs support services—accounting, property management, payroll processing, legal advice, and so on. Currently, most managers have little choice about where to get them; they must use what's available in house. But no manager should be confined to an agency monopoly.''

The Administration then created new authorities and opportunities for the Executive Branch to do commercial work by issuing a ''Revised Supplemental Handbook on Performance of Commercial Activities, Circular No. A–76.'' We warned the Administration December 15, 1995 that their revisions would not meet with support from the delegates to the White House Conference on Small Business.

The OMB revisions do not provide any encouragement to small businesses. For example, the revisions:

1. Allow any work that can be done by ten or fewer Federal employees to be kept in-house.
2. Encourage agencies to keep ''core'' teams intact so the agency always has the capability of doing bigger things when more funding is available.
3. Discourage any small business from proposing to do a government job.
4. Discourage agencies from giving serious consideration to any proposal from a small business.
5. Allow government agencies to spend up to 10 percent more than the private sector for the same work.

6. Encourage government agencies to do more contracting with each other.

Many agencies complained to OMB in December 1995 that the A–76 system is awkward and cumbersome, inhibiting rather than empowering.

In fact, the whole A–76 system is built around ''cost comparisons'' which exceed the depth and length of a Ph.D dissertation. The system advocated by the Executive Branch is fatally flawed.

On the one hand the Supplemental Handbook attempts to make the cost comparison system more rigorous. But, on the other hand, the Supplemental Handbook implements a recommendation of the National Performance Review helping agencies market themselves to other agencies, thus bypassing the need to rely on the private sector.

Supporting an amendment you offered in the 104th Congress, the Senate voted 59–39 to request restrictions on the unchecked proliferation of ''Interservice Support Agreements.'' Despite the Senate vote, the Administration has done nothing to restrain the growth of such agreements.

Today some Federal agencies provide business services to state and local governments and to private entities. This activity has neither been authorized by Congress nor is it regulated by A–76.

PRIVATE SECTOR RELIANCE WORKS

Can Federal managers be more effective outsourcing contracts than supervising thousands of Federal employees doing commercial work? Outsourcing works for private industry where managers are doing more outsourcing than ever. DOD says it works for them. NASA outsources almost the entire space program using thousands of private sector contracts.

By getting the government out of business, as proposed by the Freedom From Government Competition Act, Congress can return agencies to their core functions such as establishing safety rules. To achieve this change, public administrators will need more training and supervision in the management of outsourcing. Passage of this bill will result in a dramatic and long-overdue change in the way the government operates.

FREEDOM FROM GOVERNMENT COMPETITION ACT: SAVES MONEY AND TIME

We need a fresh start on this problem. This bill is that fresh start. Whereas DOD did many cost comparisons in the 1980s, they do few today. If the A–76 system has failed at DOD, why does the Administration continue to impose the system on the whole government? The Freedom From Government Competition Act is a far better approach.

In comparison to the OMB's expensive 36-month cost-study approach, the bill's approach is far preferable; the costs and time wasted in thousands of studies need not occur. Under this legislation, the Federal policy would be to rely on the private sector. The government would get out of certain businesses. Federal employees would manage but not perform various contracts awarded to the private sector.

Agency employees would shift from being direct service providers to managers of service contracts. Federal personnel management training would shift from supervision of extensive commercial activities to management of contracts. These changes have already begun to work for the DOD and NASA. It can work for the whole Executive Branch.

DEPARTMENT OF DEFENSE

During the U.S. military operations in Bosnia, the Department used private firms to provide health care, payroll, accounting, data management, supply management, logistics, transportation, security, maintenance and modernization of weapons, and management of military bases.

The Washington Post reported ''The Defense Department has said it can save billions of dollars by contracting out, or 'outsourcing' a wide range of military functions. . . . That way, the Pentagon reasons, it will have more money for its combat and humanitarian duties.''

On the other hand the Army Corps of Engineers is extensively in the campground business. The Army plans a hotel on Ft. Myer to complete with the 9,110 hotel rooms already available from commercial companies in Arlington, Virginia. And the Air Force proposes to repair the jet engines of commercial airlines.

On the one hand, the Chairman of the Joint Chiefs of Staff, General John M. Shalikashivili told the Senate Armed Services Committee: ''We must continue to push with all energy acquisition reforms, commercial off-the-shelf opportunities, privatization, outsourcing of non-core activities, and further reductions of our infrastructure.''

On the other hand, a war could have come and gone by the time DOD does a cost comparison. In its recommendations to the Office of Management and Budget, the Department reported it needs not 36 months but 48 months to conduct cost studies before contracting out. Studies of this length are excessive and underscore the impracticability of the Administration's position.

THE U.S. FOREST SERVICE: HEAD-TO-HEAD COMPETITION

A small campground business was forced out of business by the Federal government in 1996. When the U.S. Forest Service began a new campground in Payson, Arizona, at the Tonto National Forest, they went into business right across the highway from a for-profit small campground business. Using $3 million of taxpayers money, they went directly ''in your face,'' despite admonishment from the Forest Service Policy Manual which discourages competition with the private sector. While the Business Coalition for Fair Competition and the National Association of RV Parks and Campgrounds (ARVC) have opposed this new campground. The Forest Service plunged ahead. The private campground was forced to close.

This is an example of why A–76 does not work: the Forest Service argues that they don't have to adhere to OMB Circular A–76 except in the selection of vendors. The build-or-not-build decision is unaffected by the Circular. Establishing a government-owned campground is a policy matter not a procurement or acquisition matter, in the eye of the Federal government. There is no Federal policy or regulation forcing the Forest Service to study the impact of their construction on small business. Nor is there any Federal rule that requires the Forest Service to listen to the appeal of any small businessperson who appeals or makes a counter proposal.

SURVEYING AND MAPPING: $1 BILLION FEDERAL BUSINESS

The Federal Government spends $1 billion annually on surveying and mapping in some 39 agencies, employing nearly 7,000 Federal workers. Less than 10% of the $1 billion of Federal expenditure is contracted to the private sector for these services. A private sector comprised of more than 6,000 surveying and 250 mapping firms have capabilities to meet and exceed those of the government agencies.

MILITARY EXCHANGES: TAKING OVER RETAIL MARKETS

Members of the North American Retail Dealers Association document direct competition from military exchanges in the sale of consumer electronics products and other items. Military exchanges are among top 10 retailers in the US measured by sales volume. They compete unfairly because they do not collect sales taxes, do not pay for land and are not subject to federal antitrust laws.

CONTRACT SERVICES: PRIVATE SECTOR OFFERS THE BEST VALUE

Members of the Contract Services Association of America who provide services of every conceivable type, from low to high technologies, point to studies and analyses which show that outsourcing of commercial activities will result in substantially reduced costs to the government with at least equal quality, but more often, improve quality of service. The outsourcing of commercial activities must be seen not only as a matter of logic and fairness to the private sector, but also as a guarantor of the American taxpayer obtaining the best value for his or her tax dollar.

LAUNDRY SERVICES: VA BIDS FOR PRIVATE SECTOR WORK

A laundry in Sioux Falls, South Dakota, found that the Department of Veteran Affairs bid against him on a contract to provide laundry services to a children's home. When he questioned the VA about competing directly with the private sector, he was told that VA needed to increase its revenues.

HEARING AIDS: GOVERNMENT COMPETITION

The International Hearing Society, whose members dispense the majority of hearing aids in the United States, report that government competition erodes the client base of taxpaying hearing aid specialists. Unfettered government competition with hearing aid specialists and other taxpaying small business men and women undermines the free market. IHS urges swift enactment of this legislation, which will help to level the competitive playing field and generate increased opportunity for private sector business concerns, including hearing aid specialists.

EXECUTIVE ORDER INSPIRING THE ENTREPRENEURIAL DRIVE

When we investigated why so many Federal agencies are increasing their competition with the private sector, it became clear that Executive Orders from the White House and directions from the National Performance Review are inspiring Federal workers toward being more entrepreneurial. Agencies are justifying their new commercial drive by referring to the new Administration policy.

In contrast to the work of the Congress in downsizing government, this new entrepreneurial spirit is a loophole giving Federal employees an alternative for saving their job: if their agency can win a contract for providing a service to another agency or with someone in the private sector, work will continue. In this way, the will of the Congress to reduce government will be thwarted.

In a meeting with the White House, we were told the Administration urges agencies such as all the Federal labs to (1) save themselves despite Congressional budget reductions (2) seek business from agencies and the private sector and (3) do as much work as possible in-house (vs. outsourcing).

The Administration's position drives us to conclude that only the Freedom From Government Competition Act will work.

DEFENSE RELIANCE ON THE PRIVATE SECTOR

Thanks to the 104th Congress and an initiative by Congressman John Duncan of Tennessee the Defense Authorization bill called on the Defense Department to promptly provide information on the government's commercial activities: a solid step in the right

direction. Section 357 of Public Law 104–106 stated: ''The Secretary shall identify activities of the Department . . . that are carried out by employees of the Department to provide commercial-type products or services for the Department. . . .''

The passage of this measure caused the Department of Defense to issue a report titled ''Improving the Combat Edge Through Outsourcing'' (March 1996) which shows that leaders in DOD want the extensive savings they can achieve through outsourcing.

PRIVATIZATION TASK FORCE

Narrowed from a list of a dozen recommendations submitted by President Clinton, the 104th Congress passed legislation to privatize the U.S. Enrichment Corporation, the Naval Petroleum Reserve, the Alaska Power Marketing Administration and the National Helium Reserve. The sale of these Federal assets will (1) generate to the US Treasury several billion dollars and (2) save annual costs of staffing, maintenance and operations.

Congress has also authorized the outsourcing of forecasting functions of the National Weather Service, commercial real estate brokerage at the General Services Administration, debt collection at the Internal Revenue Service, and experimental privatization of several airports.

DEFENSE SCIENCES BOARD AND THE HERITAGE FOUNDATION RECOMMEND CONTRACTING OUT AND PRIVATIZATION

At the beginning of the 104th Congress, the Heritage Foundation issued two reports: Showing that Congress could cut Federal spending by $9 billion per year by contracting out routine support services to the private sector. Showing that Congress could save $11 billion in a single year by privatizing nine Federal activities and by eliminating various barriers to privatization established by Congress.

In late 1996, the Defense Science Board Task Force released its report ''Outsourcing and Privatization'' to the Office of the Under Secretary of Defense for Acquisition and Technology.

The Task Force included military, private sector and academic participants and was chaired by Philip A. Odeen, President and CEO, BDM International, Inc.

The Task Force predicts that the Department of Defense can save 30–40% of costs ''by outsourcing services for their own use. Local commanders that achieve an aggressive DoD outsourcing initiative could generate annual savings of $7 to $12 billion by FY 02. . . . Local commanders that achieve outsourcing objectives should be rewarded with promotions and desirable assignments.''

The report concludes by stating ''DoD is left with only one practical alternative to meet its future modernization requirements: sharply reduce DoD support costs, and apply the savings to the procurement account. The Task Force firmly believes that extensive savings can be achieved—if DoD is willing to abandon its traditional reliance on in-house support organizations in favor of a new support paradigm that capitalizes upon the efficiency and creativity of the private sector.''

The report estimates ''the number of DoD personnel actually engaged in commercial-type activities greatly exceeds the 640,000 total . . . contractors could perform most of the work currently executed by these civilian employees.''

The Task Force was opposed to the current system of reliance on OMB Circular A–76. ''A–76 public/private competitions are extremely time-consuming, biased in favor of the government entity, and concentrated in narrow, labor-intensive support functions involving relatively small numbers of government employees.''

The Task Force said A–76 competitions ''fail to fully consider other important factors such as the bidder's capability to improve the quality and responsiveness of service delivery. . . . By outsourcing broad business areas, DoD can provide vendors with greater opportunity to reengineer processes—and greater potential to achieve major improvements in service quality and cost.''

Despite its shortcomings, the A–76 system has saved DoD $1.5 billion per year. ''A more aggressive DoD initiative will yield proportionally greater benefits,'' the report states.

The Task Force summarized data from private enterprise indicating that companies save 10–15 percent when outsourcing $100 billion worth of functions. Ninety percent of company executives report that outsourcing is successful, according the Outsourcing Institute's ''Purchasing Dynamics, Expectations, and Outcomes, 1995.''

GENERAL ACCOUNTING OFFICE SUPPORTED CONGRESSIONAL ACTION AS LONG AGO AS 1981

''Although it has been the executive branch's general policy since 1955 to rely on contractors for these commercial goods and services, agency compliance with this policy has been inconsistent and relatively ineffective,'' the GAO reported to Congress June 19, 1981.

Little has changed. Agency compliance with this policy continues to be lax. Much of what GAO wrote about this subject in the last two decades still applies.

Here is what GAO said in 1981: ''Circular A–76 provides that it is the executive branch's general policy to rely on the private sector for goods and services unless it is more economical to provide them in-house. Federal purchases of goods and services from the private sector cost about $117 billion in fiscal year 1980. Although this policy to rely on the private sector has existed for over 25 years, OMB information shows that as many as 400,000 Federal employees are currently operating more than 11,000 commercial or industrial activities at almost $19 billion annually. These employees represent almost one-fourth of the total executive branch civilian work force.''

In 1981, GAO advised Congress as follows: ''We believe the Congress should act on our earlier recommendation to legislate a national policy of reliance on the private sector for goods and services.''

GAO's advice in 1981 is still appropriate today. Therefore, the only recourse is for adoption by Congress of a new national policy of reliance on the private sector as proposed by the Freedom From Government Competition Act.

KENTON PATTIE,
Executive Director.

BUSINESS COALITION FOR FAIR COMPETITION
1997

ACIL (Formerly the American Council of Independent Laboratories)
American Bus Association
American Society of Travel Agents
Colorado Coalition for Fair Competition
Helicopter Association International
IHRSA (The International Health, Racquet and Sportsclub Association)
International Association of Environmental Testing Laboratories
International Hearing Society
Management Association for Private Photogrammetric Surveyors
National Association of RV Parks and Campgrounds
National Association of Women Business Owners
National Burglar and Fire Alarm Association
National Child Care Association
National Community Pharmacists Association
National Tour Association
Professional Services Council
Small Business Legislative Council
Society of Travel Agents in Government
Textile Rental Services Association
United Motorcoach Association

By Mr. HARKIN:

S. 315. A bill to amend the Internal Revenue Code of 1986 to reduce tax benefits for foreign corporations, and for other purposes; to the Committee on Finance.

THE CORPORATE WELFARE REDUCTION ACT

● Mr. HARKIN. Mr. President, there's a story that's told about the film actor and comedian W.C. Fields. He was hardly religious, but on his deathbed a friend discovered him reading the Bible. So he asked Fields what we he was doing—and the actor responded with characteristic dry wit, ''I'm looking for loopholes.''

For too long, many multinational firms and foreign corporations operating in this country have done the same thing with the United States Tax Code. They have searched out tax laws for loopholes—and carved out special-interest breaks to avoid paying their fair share. And they've done it with great success. Today, for example, over seventy percent of foreign-based corporations in the United States pay no Federal income tax. Meanwhile working families who play by the rules struggle just to make ends meet. This is simply wrong and as a matter of basic fairness, it must end.

So today, Mr. President, I rise to introduce the Corporate Welfare Reduction Act of 1997 which will save taxpayers over $20 billion over the next 6 years. Companion legislation has been introduced in the other body by my friend and colleague Representative LANE EVANS. Now is the time to act on this measure.

In the coming days, we will take up a constitutional amendment to balance the Government's budget. I will vote for it. I believe we must get our financial house in order if we are to pass on to future generations a legacy of hope, and not a legacy of debt.

But if we are going to balance our Government's budget—and keep it balanced in the years to come—every taxpayer will have to do their part. There's no doubt that working families and small businesses on Main Street already are contributing significantly. But foreign-based and multinational corporations simply have not paid their fair share.

One of the central goals of Government policy—particularly tax policy—ought to be promoting investment in our people and in our businesses here at home. For too long, though, our tax policies have had it backwards—rewarding U.S. companies that move overseas and granting unfair tax giveaways to foreign subsidiaries in this country.

American businesses shouldn't be forced to compete against foreign subsidiaries here that don't pay their fair

share of taxes. And American workers shouldn't be left out in the cold because our tax laws encouraged companies to ship jobs away and ship products back.

That is why I am introducing the Corporate Welfare Reduction Act. This legislation contains six main provisions.

First, it ends the use of transfer pricing rules by multinational corporations to lower their U.S. tax liability. Multinational companies often sell a product to their subsidiaries at a discounted price—effectively increasing a company's income while decreasing its U.S. tax liability. This bill would restrict a company's interagency pricing policies and, instead, tax the sale of products at their fair market value.

Second, the bill disallows the practice of ''sourcing'' income from the sale of inventory property. In many cases, multinational corporations pass the title of sale to a foreign-owned subsidiary in order to avoid paying U.S. taxes even though the sale is completed in the United States.

Third, it limits the excessive use of tax credits taken by multinational corporations on foreign oil and gas extraction income [FOGEI] and foreign oil related income [FORI]. U.S. tax credits should only be applied against foreign taxes, not the fees and royalties assessed by foreign nations.

Fourth, it narrows section 911 of the tax code that exempts the first $70,000 of earned income from U.S. taxes for American citizens living and working abroad. However, this bill would allow those persons who work for non-profit organizations to still claim this exemption and would allow all U.S. citizens working abroad to deduct their children's education expenses up through high school.

Fifth, it ends the tax-exempt status of foreign investors who buy private-issued debt by requiring these persons to pay a 30-percent withholding tax on the interest they earned on the bonds.

Finally, this legislation would end the exemption of foreign individuals from capital gains taxes on the sale of stock in a U.S. corporation—unless they spend more than half the year in the United States.

The revenue raised in this legislation from closing these loopholes will go solely to deficit reduction. As I said, in a time when we are trying to reach a balanced budget, everyone must pay their fair share.

Mr. President, this is a common sense bill that will provide some fairness to working families and integrity to our Tax Code. I urge my colleagues to join me in supporting this common sense measure.●

By Mr. CRAIG (for himself, Mr. BRYAN, Mr. COCHRAN, and Mr. BENNETT):

S. 317. A bill to reauthorize and amend the National Geologic Mapping Act of 1992; to the Committee on Energy and Natural Resources.

THE NATIONAL GEOLOGIC MAPPING REAUTHORIZATION ACT OF 1997

● Mr. CRAIG. Mr. President, I am today introducing on behalf of myself and my cosponsors Senators BRYAN, COCHRAN, and BENNETT, a bill to reauthorize the highly successful National Geologic Mapping Act of 1992. The act established a cooperative geologic mapping program among the U.S. Geological Survey, State geological surveys, and geological programs at institutions of higher education in the United States. The goal of this program is to accelerate and improve the efficiency of detailed geologic mapping of critical areas in the Nation by coordinating and using the combined talents of the three participating groups.

Detailed geologic mapping is an indispensable source of information for a broad range of societal activities and benefits, including the delineation and protection of sources of safe drinking water; assessments of coal, petroleum, natural gas, construction materials, metals, and other natural resources; understanding the physical and biological interactions that define ecosystems, and that control, and are a measure of environmental health; identification and mitigation of natural hazards such as earthquakes, volcanic eruptions, landslides, subsidence, and other ground failures; and many other resource and land-use planning requirements.

Only about 20 percent of the Nation is mapped at a scale adequate to meet these critical needs. Additional high-priority areas for detailed geologic mapping have been identified at State level by State-map advisory committees, and include Federal, State, and local needs and priorities.

Funding for the program has been incorporated in the budget of the U.S. Geological Survey. State geological surveys and university participants receive funding from the program through a competitive proposal process that requires 1:1 matching funds from the applicant.

Mr. Chair, I urge my colleagues to join me to ensure the continued efficient collection and availability of this fundamental earth-science information.●

By Mr. D'AMATO:

S. 318. A bill to amend the Truth in Lending Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transaction, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE HOMEOWNERS' PROTECTION ACT OF 1997

● Mr. D'AMATO. Mr. President, I introduce legislation that seeks to protect our Nation's homeowners, particularly low-income and first-time home buyers, from having to pay for unnecessary and costly private mortgage insurance. Thousands of hard working Americans who strive every day to afford a house of their own are unfairly paying for private mortgage insurance which is not required and is no longer necessary. We must not have current and future homeowners paying up to hundreds of millions of dollars a year for insurance that serves no useful purpose. This is a practice which must be stopped. Today, it is unethical. Tomorrow, after this bill becomes law, it will be illegal. This legislation is intended to stop this injustice, while still providing lenders with fair protection against default.

In 1995, almost 6 million Americans bought homes. Approximately 2 million of those homeowners also purchased private mortgage insurance. Today, over 40 percent of new homeowners purchase private mortgage insurance. Thousands of American homeowners—perhaps as many as 20 percent of homeowners who have private mortgage insurance—are overinsuring their homes simply because they are not informed of whether they have the right to cancel private mortgage insurance.

Many homeowners are being forced to make payments for private mortgage insurance even after they have accumulated substantial equity in their homes; they continue to pay for private mortgage insurance long after the loan-to-value ratio is sufficient to protect lenders against default. Private mortgage insurance rates average between $20 and $100 per month, depending on the home purchase price, the amount of downpayment and other factors. These consumers are unknowingly paying from $240 a year to $1,200 a year for absolutely no reason—no potential benefit can accrue to the homeowner who is unnecessarily paying for this insurance. When the legitimate need for private mortgage insurance ends, the payments should stop immediately.

My legislation, the Homeowners' Protection Act, would ensure that this unfair practice is discontinued by giving future homeowners the right to cancel private mortgage insurance when it is no longer needed to protect the homeowner—in most cases, when they accumulate equity equal to 20 percent of their original loan value. With respect to existing mortgages, the Homeowners' Protection Act would mandate disclosure of cancellation rights to the homeowner on an annual basis. This important legislation potentially could save current and future homeowners millions of dollars.

Now let me make one thing clear—private mortgage insurance does serve a purpose. Typically, lenders require home buyers to purchase private mortgage insurance if the borrower makes a downpayment of less than 20 percent of the purchase price. The purpose of the insurance is to provide lenders, and subsequent purchasers of the mortgage, with protection in the event of default on the mortgage. It is in the best interest of all Americans that lenders have fair protection against default, so as to

ensure their continued safety and soundness. Together, we can encourage the pursuit of the American dream of home ownership without allowing the fleecing of homeowners in the process.

I strongly encourage my colleagues to join me in support in this legislation which will help to make sure that money for unnecessary insurance premiums stays where it belongs—in homeowners' pockets.

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

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

S. 318

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 ''Homeowners Protection Act of 1997''.

SEC. 2. NOTIFICATION OF CANCELLATION RIGHTS FOR PRIVATE MORTGAGE INSURANCE.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 125 the following:

''SEC. 126. CANCELLATION RIGHTS FOR PRIVATE MORTGAGE INSURANCE.

''(a) INSURANCE RATIO STANDARD.—

''(1) IN GENERAL.—No consumer, in connection with a residential mortgage transaction, shall be required by the creditor to obtain or maintain private mortgage insurance if that consumer has, or will have at the time that the transaction is consummated, equity in the property that is the subject of the transaction in excess of the private mortgage insurance ratio.

''(2) REGULATORY REQUIREMENT.—The Board—

''(A) shall issue rules to implement paragraph (1); and

''(B) may issue rules exempting certain classes of transactions from the provisions of paragraph (1) if the Board finds that such exemption is necessary—

''(i) to ensure sound underwriting standards; or

''(ii) to further the availability of credit to persons who might otherwise be denied credit if paragraph (1) was applied to residential mortgage transactions involving such persons.

''(b) NOTICE OF RIGHT OR LACK OF RIGHT TO CANCEL.—If a consumer is required to obtain and maintain private mortgage insurance as a condition for entering into a residential mortgage transaction, the creditor shall disclose to the consumer the current private mortgage insurance ratio for the subject property, in writing, at the time that the transaction is entered into.

''(c) INFORMATION REQUIRED TO BE DISCLOSED.—With respect to each residential mortgage transaction, the creditor shall disclose to the consumer, in writing, the following information at the time the transaction is entered into:

''(1) IDENTIFYING INFORMATION.—Such information as may be necessary to permit the consumer to communicate with the creditor or any subsequent servicer of the mortgage, concerning the private mortgage insurance of that consumer.

''(2) CANCELLATION PROCEDURES.—The procedures required to be followed by the consumer in canceling the private mortgage insurance.

''(d) INFORMATION REQUIRED TO BE DISCLOSED WITH EACH PERIODIC STATEMENT.—If a consumer is required to obtain and maintain private mortgage insurance as a condition for entering into a residential mortgage transaction, the person servicing the mortgage shall include in or with each written statement of account provided to the consumer, beginning with the first such statement following the date of enactment of the Homeowners Protection Act of 1997, while such insurance is in effect, but not less than annually—

''(1) the information required to be disclosed under subsections (b) and (c); or

''(2) a clear and conspicuous written statement containing—

''(A) a statement that the consumer may cancel the private mortgage insurance and a description of the circumstances under which such a cancellation may be made; and

''(B) an address and telephone number that the consumer may use to contact the creditor or the person servicing the mortgage.

''(e) NOTICES FURNISHED WITHOUT COST TO THE CONSUMER.—

''(1) IN GENERAL.—No fee or other cost may be imposed on any consumer with respect to the provision of any notice or information to the consumer pursuant to this section.

''(2) REIMBURSEMENT.—A creditor or subsequent servicer of the mortgage may seek reimbursement from the issuer of the private mortgage insurance, with respect to any cost incurred by that creditor or subsequent servicer in providing any notice or information to the consumer pursuant to this section.

''(f) EXISTING MORTGAGES.—If a consumer was required to obtain and maintain private mortgage insurance as a condition for entering into a residential mortgage transaction occurring before the date of enactment of the Homeowners Protection Act of 1997—

''(1) not later than 180 days after that date of enactment, the creditor shall disclose, in writing, to each such consumer—

''(A) the information described in paragraphs (1) and (2) of subsection (c); and

''(B) that the private mortgage insurance may, under certain circumstances, be canceled by the consumer at any time while the mortgage is outstanding; and

''(2) the person servicing the mortgage shall include in or with each written statement of account provided to the consumer, beginning with the first such statement following the date of enactment of that Act, while such insurance is in effect, but not less than annually—

''(A) the information required to be disclosed under subsection (c); or

''(B) a clear and conspicuous written statement containing—

''(i) a statement that the consumer may be able to cancel the private mortgage insurance (if such is the case); and

''(ii) an address and telephone number that the consumer may use to contact the creditor or the person servicing the mortgage to determine whether the consumer has the right to cancel the private mortgage insurance and, if so, the conditions and procedures for canceling such insurance.

''(g) DEFINITIONS.—In this section, the following definitions shall apply:

''(1) MORTGAGE INSURANCE.—The term 'mortgage insurance' means insurance, including any mortgage guaranty insurance, against the nonpayment of, or default on, a mortgage or loan involved in a residential mortgage transaction.

''(2) PRIVATE MORTGAGE INSURANCE.—The term 'private mortgage insurance' means mortgage insurance other than mortgage insurance made available under the National Housing Act, title 38 of the United States Code, or title V of the Housing Act of 1949.

''(3) PRIVATE MORTGAGE INSURANCE RATIO.—The term 'private mortgage insurance ratio' means a principal balance outstanding on a residential mortgage equal to less than 80 percent of the original value (at the time at which the consumer entered into the original residential mortgage transaction) of the property securing the loan.

''(h) APPLICABILITY.—This section, other than as provided in subsection (d), shall apply with respect to residential mortgage transactions entered into beginning 90 days after the date of enactment of the Homeowners Protection Act of 1997.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by striking the item relating to section 126 and inserting the following:

''126. Cancellation rights for private mortgage insurance.''.●

By Ms. MOSELEY-BRAUN:

S. 319. A bill to designate the national cemetery established at the former site of the Joliet Arsenal, IL, as the ''Abraham Lincoln National Cemetery''; to the Committee on Veterans' Affairs.

THE ABRAHAM LINCOLN NATIONAL CEMETERY ACT

Ms. MOSELEY-BRAUN. Mr. President, I rise today, on the 188th anniversary of the birth of Abraham Lincoln, our Nation's 16th and 1st Republican President, to introduce the Abraham Lincoln National Cemetery bill. Congressman JERRY WELLER, in whose district the newest national veterans cemetery is located, will introduce an identical bill in the House of Representatives today.

The National Cemetery System was established by President Lincoln in 1862 to provide for the proper burial and registration of graves of soldiers who died in the Civil War. Since its inception, the National Cemetery System has grown to include 130 military burial grounds and provides places of private meditation and reflection for all who visit its hallowed grounds. None of these cemeteries, however, including the six in Illinois, are named after President Lincoln.

As you know, President Lincoln had great affection for ''him who [had] borne the battle''. Perhaps Lincoln's admiration for our Nation's veterans is rooted in the fact that Lincoln—a man of peace—had his Presidency marked by the scourge of war. He knew all too well the sacrifices and hardships that the defenders of our Nation's freedom had to bear and the ''cause for which they [may be called to give their] last full measure of devotion.'' President Lincoln demonstrated his deep affection for our Nation's veterans in many ways. During the Civil War, he often visited the sick and wounded stationed in and around Washington, DC. His administration created what is now the Department of Veterans Affairs and the VA hospital system. Perhaps the greatest demonstration of his love for our Nation's veterans was his strong leadership and unwavering support for the creation of the National Cemetery System, which not only provides dignified final resting places for our Nation's soldiers but also ensures that

neither the Nation nor its citizens will forget those who served in our Armed Forces.

Last year, Congress approved of the transfer of 982 acres of the former Joliet Army Ammunition Plant from the Department of the Army to the Department of Veterans Affairs for the development of a new national veterans cemetery. The President's budget included $19.9 million for the construction of the first phase of the cemetery, which is scheduled to open in late 1998 or early 1999.

Mr. President, this legislation to name our Nation's newest national cemetery after President Lincoln deserves strong bipartisan support. By naming the new veterans national cemetery in honor of President Lincoln, we not only acknowledge the pivotal role he played in the development of one of our national treasures—the national veterans cemetery system—we also honor the memory of the millions of courageous men and women who served in war and peacetime to preserve our Nation's democracy, freedom, and national values. Men and women, who like my grandfather, father, and uncle, who fought in World War I and World War II, notwithstanding the fact that the full promise of America was denied them because of the color of their skin. Their patriotism grew out of an abiding respect for American values, and out of the hope for our country. We can do no less in peacetime than to honor not only their sacrifice, but the reasons for it. Naming a national cemetery after President Lincoln is in recognition that that faith and hope abide with us still.

Illinois is now—and will always be the Land of Lincoln. His legacy is a living testament to the values—honesty, hard work and perseverance in the face of adversity—that characterize residents of America's heartland. No place has a greater claim to the Lincoln heritage than his beloved Springfield, IL, but his memory and what he stood for belong to all of us in the Land of Lincoln and across these United States. As Secretary of War Edward M. Stanton prophetically put it while keeping vigil at Lincoln's deathbed, ''Now he belongs to the ages.''

As such, I can think of no more fitting gift or more appropriate way to celebrate the birthday of our Nation's greatest President, than to support and pass this legislation to name our newest and second-largest national veterans cemetery, in the State he so dearly loved, after him. In Lincoln's immortal words, ''it is altogether fitting and proper that we do this.''

His guidance that a house divided cannot stand is as valid today as it was when given. We leave partisan differences aside when we are called upon to respond to today's challenges as Americans. This legislation is a bipartisan effort to bring all of us together in honor of one of the greatest Americans ever to have lived. As we honor him, and his leadership, we honor the true legacy of his service to our country.

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

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

S. 319

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

SECTION 1. DESIGNATION OF NATIONAL CEMETERY.

(a) DESIGNATION.—The national cemetery established at the former site of the Joliet Arsenal, Illinois, shall be known and designated as the ''Abraham Lincoln National Cemetery''.

(b) REFERENCES.—Any reference in a law, map, regulation, paper, or other record of the United States to the national cemetery referred to in subsection (a) shall be deemed to be a reference to the ''Abraham Lincoln National Cemetery''.

By Mr. ASHCROFT (for himself, Mr. THOMPSON, Mr. ABRAHAM, Mr. ALLARD, Mr. BOND, Mr. BROWNBACK, Mr. BURNS, Mr. CAMPBELL, Ms. COLLINS, Mr. COVERDELL, Mr. CRAIG, Mr. FAIRCLOTH, Mr. FRIST, Mr. GRAMM, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INOUYE, Mr. MACK, Mr. MURKOWSKI, Mr. SESSIONS, MR. SMITH of New Hampshire, Mr. SMITH of Oregon, and Mr. THOMAS):

S.J. Res. 16. A joint resolution proposing a constitutional amendment to limit congressional terms; to the Committee on the Judiciary.

TERM LIMITS CONSTITUTIONAL AMENDMENT

Mr. ASHCROFT. Mr. President, the document that emerged from the Philadelphia convention has become the longest lived national constitution in the world. It was the product of a sense of urgency, of mission, of common purpose. And years from now, after we have long since passed, it will endure, standing unchallenged by the varied crises of human affairs.

The Philadelphia delegates crafted this document on what they believed to be fundamental principles: Majority rule, dual sovereignty, one man, one vote. The Framers also recognized, however, that a lasting government would have to be not only durable and stable, but flexible enough to evolve with the emerging Nation. For this reason, they included an article for amendment that would allow the document to be changed over time.

Since 1787, more than 10,600 constitutional amendments have been introduced. Only 27 have been adopted. Many of the proposed amendments have bordered on the ridiculous. One called for the creation of four regional Presidents. Others have called for the legalization of dueling, or changing the Nation's name to the United States of the World.

The amendment I introduce today, however, is neither ridiculous nor unimportant. In fact, I would suggest that is one of the defining issues which this Congress will face. For it cuts to the very heart of who we are as a party, as a polity, as a people. It is a term-limits constitutional amendment. If enacted, the resolution would limit Members of Congress to three terms in the U.S. House of Representatives and two terms in the U.S. Senate.

Mr. President, term limits are a tried and tested reform that the American people have seen operate firsthand: For the President since 1951, for 41 Governors, for 20 State legislatures, and for hundreds of local officials nationwide. Indeed, this is at least one reason why congressional term limits enjoy such widespread support: Voters have witnessed their ameliorative effects and want them extended to the national legislature.

Some will undoubtedly argue that the 1996 election and the notable increase in new Members weakens the case for term limits. Nothing could be further from the truth. Ninety-four percent of all the Members who sought reelection last year were returned to Washington. The turnover that did occur was largely the result of voluntary departures, not competitive elections.

Why do reelection rates continue at all-time highs? Because incumbency is, and always has been, the single greatest perk in politics. Committee assignments translate into campaign contributions. Bills mean bucks. The simple fact remains, the average incumbent spends more of the taxpayers' money on franked mail than the average challenger spends on his entire campaign.

Reapportionment's role in ensuring long-term incumbency must also be considered. Many State officials are acutely aware of the benefits derived from high reelection rates. Consequently, they manipulate districts in a way which maximizes the potential for incumbents to return to Washington. This is not only an argument for limited tenure, it is an argument for adopting House limits of less than 10 years.

As with all good ideas, this reform has occasioned some controversy. Primarily, opposition has come from careerists in the Congress whose livelihood is at stake. These self-proclaimed keepers of the public faith worry aloud about the impact of lost legislative wisdom. And, in the cloakrooms and Capitol corridors, they whisper about ''protecting the people from themselves.''

Opponents seem to believe that only seasoned legislators in a professional Congress can effectively deal with the issues of the day. Mr. President, it is the height of arrogance and elitism to suggest that any one Senator is essential to our Government. The strength of American democracy is that the people are the source of Government's legitimacy. Because, as Alexander Hamilton aptly noted more than two centuries ago, ''Here, Sir, the people govern.''

These assertions also stand at odds with the great triumph of individualism that is America. For they are based on the flawed supposition that only a limited number of citizens are

qualified to serve. Richard Henry Lee put it best. ''I would not urge the principle of rotation,'' said Lee, ''if I believed the consequence would be a uniformed Federal legislature; but I have no apprehension of this in this enlightened country.'' Indeed, no more than a cursory look at the writings of Adams, Jefferson, Mason, and Paine reveals the healthy respect they had for the average citizen.

Mr. President, I share the Founders' belief that there is wisdom in the people. The resolution I bring before the body today is a commonsense reform that the citizenry undeniably wants, a remedy our Republic desperately needs, a reform whose time has come.

Rotation in office has worked for the President, scores of Governors, and countless others across this great land. Let us extend its therapeutic effects to the Halls of the U.S. Congress. I beg this proposal's adoption.

Mr. THOMPSON. Mr. President, today, I am introducing a constitutional amendment to limit congressional service to 6 years in the House and 12 years in the Senate. This proposal is identical to the one introduced in the 104th Congress. On May 22, 1995, the U.S. Supreme Court invalidated the term limits that 23 different States had imposed on congressional service. The Court further declared that Congress lacks the constitutional authority to enact term limits by statute. Therefore, enacting this reform, which polls consistently show that more than 70 percent of the American people support, will require passing a constitutional amendment.

Although this proposal is not about denigrating the institution of Congress or those who have ably served lengthy tenures, public confidence in elected officials does remain abysmally low. Given the many scandals involving public officials, the myriad of negative campaign commercials, and the inability of Congress to solve major national problems like the budget deficit, I can hardly blame the American people for being cynical. Nothing could be farther from the basic tenets of democracy than a professional ruling class, yet despite the supposedly high turnover in the last three congressional elections, that is essentially what Congress has become.

Each of the last three Congresses has had unusually large freshman classes, but the percentage of those returned to Congress still exceeds the typical return rate prior to 1941. I acknowledge that altering the way we elect Members of Congress is a task not to be undertaken lightly, and people are justified in asking, what has changed since the ratification of the Constitution that necessitates this proposal? To them, I answer simply: The trend toward careerism in Congress. Although the system has worked relatively well for 200 years, the Founding Fathers viewed service in Congress not as a permanent career but as an interruption to a career. For the first 150 years of the Republic, in keeping with this notion, those who served in public office typically stepped down after only a few years. While incumbents were still almost always re-elected when they chose to run, a turnover rate of 50 percent every 2 years in the House was common throughout the 19th century. In fact, only 24 percent of the Members of the House in 1841 were sworn in again 2 years later. George Washington voluntarily stepped down after two terms as President because he understood the value of returning to private life and giving someone else the chance to serve. Over the last few decades, however, Members of Congress have become much less likely to step down voluntarily, so the average length of service in Congress has steadily increased. Because of this trend toward careerism, Congress now more closely resembles a professional ruling class than the citizen legislature our Founding Fathers envisioned.

This is significant because a Congress full of career legislators behaves differently than a citizen legislature. Over time, after years of inside-the-beltway thinking, elected officials tend to lose touch with the long-term best interests of the Nation. Instead, they become slaves to short-term public opinion in their never-ending quest for re-election. Last year's Medicare debate is a good example of how constant elections, and the lure of short-term political advantage, make it harder to make the tough decisions. The constant flow of pork-barrel projects back home, the practice of effectively buying our constituents' votes with funds from the U.S. Treasury, is another example of how what may be beneficial to politicians at the next election is not necessarily in the best interests of the Nation. When Congress is not a career for its Members, their career will not be on the line every time they cast a vote, so I believe that term limits would more likely produce individuals who would take on the tough challenges that lie ahead.

To act in the long-term national interest, elected officials also need to live under the laws they pass, which is why we enacted the Congressional Accountability Act in the last Congress. Similarly, it is important that elected officials return home after their term expires and live with the consequences of the decisions they made while in Congress. Just as the Congressional Accountability Act makes elected officials more cognizant of how laws affect average Americans in the long run, term limits, by requiring Members of Congress to return to private life, would encourage Members to consider the long-term effects of their decisions instead of just the short-term political consequences.

Moreover, little doubt exists that power exercises a gradual, corruptive influence over those who have it. The Founding Fathers recognized this and used a system of checks and balances to limit the power of any one individual. When elected officials are up here for decades at a time, their accumulating power and growing disregard for the national interest often cause them to become arrogant in office. Term limits, by further dispersing power among more individuals, I believe, would lead to a more honest breed of politicians.

Term limits will also make elections more competitive which will, in turn, lead to better representation. One only needs to look at the 1996 elections to see that most competitive elections are for open seats. Twelve-year limits on Senate service would guarantee every State an open-seat election at least once every 12 years unless a challenger dislodges an incumbent. Furthermore, term-limited officeholders will be more likely to seek a higher office. A Member of the House who is term limited will be more likely to run for the Senate than a Congressman who is not term limited and can easily win re-election to the House for many years to come. A term-limited Senator will be more likely to run for Governor or another office instead of seeking easy re-election to the Senate.

Opponents of term limits make many arguments against the proposal, confident that they know better than more than 70 percent of the American people. Perhaps the most prevalent argument against term limits is that Congress will lose many good people. While this is true, as I have already pointed out, we will be gaining many good people as well. More to the point though, we should not be so arrogant as to think that we are the only ones who can do this job. I do not believe that the 535 people who currently serve in Congress are the only 535 people out there who can do the job. Two hundred years ago, people wondered how the Nation could ever survive without the leadership of George Washington, but President Washington knew that the system was stronger than any one man, and that many people were fit to be President. Not only do I think that many people besides us can do the job, but the argument that only the 535 currently serving in Congress possess the ability to solve the Nation's problems assumes that we are doing a good job now. A $5 trillion debt, Medicare and Social Security on unsustainable courses, an out-of-control campaign finance system, and unacceptably high levels of crime make this assumption dubious. A corollary of this argument is that term limits will result in Congress having little institutional memory. However, if the legislative process and the bills that come out of this place are so complicated as to require more than 12 years of experience to understand, then Congress is doing too much. The average citizen, with the additional focus of full-time attention to the issues with which Congress concerns itself, should be more than capable of doing the job.

The other main argument against term limits is that we already have

term limits in the form of elections. However, this reasoning has two problems. First, incumbents enjoy a tremendous advantage in elections. The ability to raise money, greater name recognition, a staff already in place, constituent service, and simple voter inertia help incumbents win their races more than 90 percent of the time. Second, the American people, just as they have a right to elect their representatives in Congress, have every right to place qualifications on whom they may elect. Opponents of term limits say that the voters ought to be able to elect whomever they want, but when the American people ratified the Constitution, they agreed not to elect anyone to the Senate who is younger than 30 years of age or not a resident of the State he or she seeks to represent. If the voters choose, and more than 70 percent of them do, they can also declare that people who have already served 12 years in the Senate may not be elected to the Senate again.

It is my hope that we will move quickly to debate this measure. Perhaps no other proposal as popular with the American people has received so little attention from Congress. In fact, Congress has been so reticent with respect to this issue that some term-limits advocates are now asking the States to call a constitutional convention. The debate in the last Congress was the first serious discussion of this issue in Congress in the history of the Nation. Speaker GINGRICH has already said that term limits will be the first item of business this year in the other body. Finally, other tough decisions are imminent including balancing the budget, saving Medicare, and putting Social Security on a permanently sustainable course. The single most important thing we can do to cultivate an environment where Congress can effectively address these long-term problems is to enact term limits immediately. Therefore, I urge my colleagues' support.●

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. ASHCROFT, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 4, a bill to amend the Fair Labor Standards Act of 1938 to provide to private sector employees the same opportunities for time-and-a-half compensatory time off, biweekly work programs, and flexible credit hour programs as Federal employees currently enjoy to help balance the demands and needs of work and family, to clarify the provisions relating to exemptions of certain professionals from the minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, and for other purposes.

S. 12

At the request of Mr. DASCHLE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 12, a bill to improve education for the 21st Century.

S. 19

At the request of Mr. DASCHLE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 19, a bill to provide funds for child care for low-income working families, and for other purposes.

S. 28

At the request of Mr. THURMOND, the name of the Senator from Kansas [Mr. BROWNBACK] was added as a cosponsor of S. 28, a bill to amend title 17, United States Code, with respect to certain exemptions from copyright, and for other purposes.

S. 104

At the request of Mr. MURKOWSKI, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 104, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 112

At the request of Mr. MOYNIHAN, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from California [Mrs. FEINSTEIN], the Senator from Michigan [Mr. LEVIN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 112, a bill to amend title 18, United States Code, to regulate the manufacture, importation, and sale of ammunition capable of piercing police body armor.

S. 183

At the request of Mr. DODD, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 183, a bill to amend the Family and Medical Leave Act of 1993 to apply the act to a greater percentage of the United States workforce, and for other purposes.

S. 206

At the request of Mr. REID, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 206, a bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes.

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 294

At the request of Mrs. HUTCHISON, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 294, a bill to amend chapter 51 of title 18, United States Code, to establish Federal penalties for the killing or attempted killing of a law enforcement officer of the District of Columbia, and for other purposes.

SENATE RESOLUTION 50

At the request of Mr. ROTH, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Hampshire [Mr. GREGG], the Senator from Oklahoma [Mr. NICKLES], the Senator from Mississippi [Mr. COCHRAN], the Senator from Louisiana [Mr. BREAUX], the Senator from North Dakota [Mr. CONRAD], the Senator from Florida [Mr. GRAHAM], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of Senate Resolution 50, a resolution to express the sense of the Senate regarding the correction of cost-of-living adjustments.

SENATE RESOLUTION 53

At the request of Mrs. HUTCHISON, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Resolution 53, a resolution to express the sense of the Senate concerning actions that the President of the United States should take to resolve the dispute between the Allied Pilots Association and American Airlines.

SENATE RESOLUTION 54—ORIGINAL RESOLUTION AUTHORIZING BIENNIAL EXPENDITURES BY COMMITTEES OF THE SENATE

Mr. WARNER, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 54

Resolved,

SHORT TITLE

SECTION 1. This resolution may be cited as the ''Omnibus Committee Funding Resolution for 1997 and 1998''.

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized for the period March 1, 1997, through September 30, 1998, in the aggregate of $50,569,779 and for the period March 1, 1998, through February 28, 1999, in the aggregate of $51,903,888 in accordance with the provisions of this resolution, for all Standing Committees of the Senate, for the Committee on Indian Affairs, the Special Committee on Aging, and the Select Committee on Intelligence.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1998, and February 28, 1999, respectively.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the committee who are paid at an annual rate, (2) for the payment of telecommunications expenses provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, Department of Telecommunications, (3) for the payment of stationery supplies purchased through the Keeper of Stationery, United States Senate, (4) for payments to the Postmaster, United States Senate, (5) for the payment of metered charges on copying equipment provided