

This resolution has been filed pursuant to the leadership initiated by my colleague, Senator SANTORUM, who traveled to northeastern Pennsylvania several weeks ago. I went this past Monday. And I think it will put us on a track to show that something can be done immediately. When I say immediately, within the course of the next several weeks.

It had been my hope that we might have been able to make some modification in the price of cheese to have even faster action by the Secretary of Agriculture. But considering the fact that this resolution was drafted on Monday morning and has gone through considerable analysis by a number of Members of the Senate—and I thank my colleagues for their prompt attention to this issue—we are moving now very, very rapidly.

In conclusion, Mr. President, let me point out that there was an extensive study of the Green Bay Cheese Exchange made at the request of the Secretary of Agriculture of the State of Wisconsin, and there were some indications there that because of the limited amount of cheese which was traded there, there was an opportunity to have a price established which was not genuinely a market price. The amount of cheese traded at Green Bay was less than one-half of 1 percent, and where you have such a limited exchange rate and with people at the scene who have a considerable interest in having a lower price of cheese, that result may not have represented the accurate market price of cheese.

The Secretary of Agriculture has the authority unilaterally to make a modification on the price of cheese if he develops an evidentiary base from other transactions which lead him to conclude that is not the fair market price of cheese, and I believe that to be the case. The Secretary of Agriculture had previously initiated the process on informal rulemaking, which would take some considerable period of time. But he does have the authority.

If we may vote at this time, Mr. President, I will conclude.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KOHL. Mr. President, I want to thank the Senator from Pennsylvania for his efforts on this issue.

The Cheese Exchange is of great concern to all dairy farmers nationwide, because it is a market that is very thinly traded, completely unregulated, and has a great deal of influence on the prices that farmers are paid for their milk.

That's why my colleague from Wisconsin, Senator FEINGOLD and I have been working to reduce the influence of the Cheese Exchange. Both Senator FEINGOLD and I introduced legislation on this matter last week. Ultimately, what we need to do is find an alternative price discovery mechanism that is more reflective of market conditions, and less subject to manipulation.

And we have two initiatives underway that could form the basis for new price discovery mechanisms.

First, we've worked with Secretary Glickman to start a new cheese price survey, to survey cheese plants nationwide, to get a better view of prices paid for cheese. If done right, this could be very useful as a price discovery mechanism. But there's still some issues that need to be ironed out.

And second, we've asked other exchanges such as the Coffee, Sugar, Cocoa Exchange to explore the possibility of creating a new cash market for cheese. Again, if this is done right, it could be very useful as a new price discovery mechanism.

But in the short term, the Senator from Pennsylvania is right, we need to delink the National Cheese Exchange from the farmers' milk prices, and we need to do that as soon as possible. Two weeks ago, the Secretary of Agriculture announced a 60-day comment period on that exact proposal. The trick will be to find a new equivalent price mechanism, to take it's place. We need to find a new mechanism that is credible, or we'll merely make matters worse.

So I thank the Senator from Pennsylvania, and I look forward to working with him on this issue, which has been a longstanding concern of mine. As far as I'm concerned, the more Senators become aware of this problem and join our efforts, the better.

Mr. FEINGOLD. Mr. President, I am pleased to join the Senator from Pennsylvania, Senator SPECTER, in submitting the Sense of the Senate Resolution directing the Secretary of Agriculture to take action to delink the National Cheese Exchange from the basic formula price established by USDA under Federal Milk Marketing Orders.

Dairy farmers have been concerned for many years about the role of the National Cheese Exchange, located in Green Bay, WI, in determining the price they receive for their milk. While the exchange has had an indirect influence on milk prices for many years, it also directly affects milk prices through USDA's basic formula price, established by regulation in 1995. For years, Wisconsin farmers have been concerned that the characteristics of the Exchange, outlined in this resolution, make it vulnerable to price manipulation. Those fears were confirmed by a March 1996 report by the University of Wisconsin Department of Agricultural Economics which found evidence supporting the allegations of manipulations. The concerns about manipulation and the influence of the exchange on milk prices nationally, were further heightened by the dramatic and unprecedented decline in cheese prices on the exchange last fall which led to a 26 percent decline in farm milk prices.

The senior Senator from Wisconsin Senator KOHL and I have been working to address the concerns of the UW report for the last 10 months and have introduced legislation to address the short- and long-term problems associated with the Cheese Exchange. The di-

rective of the resolution introduced by the Senator from Pennsylvania is also included in my bill S. 258, the Milk Price Discovery Improvement Act of 1997 which I introduced last week. My legislation goes beyond the directive in the resolution by seeking additional long term solutions to the lack of price discovery in milk markets and by establishing improved USDA oversight of the National Cheese Exchange. S. 256, introduced by the senior Senator from Wisconsin Senator KOHL, which I have cosponsored, would enhance the role of the Commodity Futures Trading Commission in National Cheese Exchange oversight as well.

The resolution we are introducing today, however, emphasizes the importance of quick action on this problem by the Secretary of Agriculture and I am pleased to welcome the Senator from Pennsylvania to our efforts to resolve this very difficult problem. Farmers have a right to expect that milk prices are determined fairly and without manipulation. The resolution introduced today is a step toward reducing the influence of the exchange on farm-level milk prices.

I urge my colleagues to support this resolution and to work with us toward the enactment of S. 258 and S. 256 as well.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Is the Senator from Pennsylvania propounding a unanimous consent request?

Mr. SPECTER. Mr. President, I am advised that I do have the authority to yield back the time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. SPECTER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Louisiana [Mr. BREAUX] is necessarily absent.

I also announce that the Senator from Vermont [Mr. LEAHY] is absent attending a family funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 15, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—83

Abraham	Boxer	Cleland
Akaka	Bryan	Cochran
Ashcroft	Bumpers	Collins
Baucus	Burns	Conrad
Biden	Byrd	Coverdell
Bingaman	Chafee	D'Amato

Daschle	Hutchinson	Nickles
DeWine	Hutchison	Reed
Dodd	Inhofe	Reid
Domenici	Inouye	Robb
Dorgan	Jeffords	Rockefeller
Durbin	Johnson	Roth
Faircloth	Kennedy	Santorum
Feingold	Kerrey	Sarbanes
Feinstein	Kerry	Sessions
Ford	Kohl	Shelby
Frist	Landrieu	Smith, Bob
Glenn	Levin	Smith, Gordon H
Gorton	Lieberman	Snowe
Graham	Lott	Specter
Gramm	Lugar	Stevens
Grams	McCain	Thompson
Grassley	McConnell	Thurmond
Gregg	Mikulski	Torricelli
Hagel	Moseley-Braun	Warner
Harkin	Moynihan	Wellstone
Helms	Murkowski	Wyden
Hollings	Murray	

NAYS—15

Allard	Coats	Kyl
Bennett	Craig	Lautenberg
Bond	Enzi	Mack
Brownback	Hatch	Roberts
Campbell	Kempthorne	Thomas

NOT VOTING—2

Breaux	Leahy
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The resolution (S. Res. 55) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 55

Whereas, during the last few months farm milk prices have experienced substantial volatility, dropping precipitously from \$15.37 per hundredweight in September, 1996 to \$11.34 per hundredweight in December, 1996;

Whereas, the price of cheese at the National Cheese Exchange in Green Bay, Wisconsin influences milk prices paid to farmers because of its use in the Department of Agriculture's Basic Formula Price under Federal Milk Marketing Orders;

Whereas, less than one percent of the cheese produced in the United States is sold on the National Cheese Exchange and the Exchange acts as a reference price for as much as 95 percent of the commercial bulk cheese sales in the nation; Now, therefore, be it

Resolved, That it is the Sense of the Senate of the United States that the Secretary of Agriculture should consider acting immediately pursuant to his legal authority to modify the Basic Formula Price for dairy by replacing the National Cheese Exchange as a factor to be considered in setting the Basic Formula Price.

The PRESIDING OFFICER. The majority leader is recognized.

EXTENSION OF MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that upon the conclusion of Senator HOLLINGS' remarks, the period for morning business be extended with Senators permitted to speak therein for 5 minutes each, except Senator DORGAN for 30 minutes, Senator KERREY for 15 minutes, Senator DOMENICI for up to 30 minutes, and Senator GRAMM for up to 15 minutes.

I want to emphasize that Senator HOLLINGS goes forward with his remarks. I want to thank Members again for your cooperation in getting this vote done, and I want to confirm, as we have already notified Members as they come in, this is the last vote this week. There will be a vote at 5:30 on Monday.

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

(By unanimous consent, the remarks of Mr. HOLLINGS appear at an earlier point of today's RECORD.)

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Under the previous order, the Senator from North Dakota has 30 minutes reserved.

The Senator from North Dakota is recognized.

(The remarks of Mr. DORGAN, and Mr. KERRY pertaining to the introduction of S. 331 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Texas is recognized.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. GRAMM. Mr. President, we have seen the specter this week of our colleagues on the Democratic side of the aisle proposing to exempt additional programs from the balanced budget amendment to the Constitution: Social Security, emergency spending, veterans programs, housing programs, education, health and welfare programs, college aid and training programs, law enforcement programs, the Tennessee Valley Authority, highways, bridges, dams, roads, buildings, and it goes on and on. Given how far afield we have gone in this debate, I wanted to very briefly try to remind the Senate and those who are following this debate what this debate is about. This debate is about families making hard decisions at their kitchen table, trying to make ends meet. So I thought I would look today, at 28 years ago, the last year that we had a balanced budget in America.

The last time we had a balanced budget was in 1969. If you look at the front page of the Washington Post for Thursday, February 13, 1969, you can see that not very much happened in the world 28 years ago today when we had a balanced budget. But there was some very exciting news that day. The very exciting news was not on the front page; the very exciting news was in the want ads. I would like just to review what America looked like the last time we had a balanced budget.

Dale City is a city 25 miles south of Washington. It is sort of a middle-class neighborhood. In Dale City, 28 years ago today, when we had a balanced budget, they were advertising new homes that were selling between \$18,600 and \$38,000 apiece. In the richest county in America, Montgomery County, 28

years ago, when we had our last balanced budget, they were advertising new homes in Walnut Hill for \$32,500.

And 28 years of deficit spending later, they are still running want ads. They ran them today. The want ads today show that houses in the suburbs of Northern Virginia are selling between \$230,000 and \$340,000 apiece, and in Montgomery County they are selling for \$270,000 a piece.

The newspaper of 28 years ago today did not have any news on the front page worthy of being remembered, but it had want ads worthy of being remembered.

A Chevrolet Impala could be bought for \$51 a month, and you had it paid off in 3 years. That was 28 years ago today, the last time we had a balanced budget. Today, to buy a Chevrolet Cavalier, it costs you \$194 a month, and you have to pay for 6 years to pay it off.

There was not much exciting news on the front page of the paper 28 years ago today, when we had a balanced budget, but there was exciting news in the want ads. You could buy a new Good-year tire for \$8.75 apiece. Now, in fact, there is an ad today for \$24.99. But my guess is, 28 years ago and today, if you went out to get the \$8 tires then or the \$24 tires today, you would find that they did not fit your car. But look at what has happened to the base tire in terms of expenses.

Twenty-eight years ago today, the public was buying pork. And our Government was beginning to go on a binge of pork that would last 28 years. Pork chops at Giant 28 years ago today were 89 cents a pound. Pork chops at A&P 28 years ago today, as advertised in the Post, were 89 cents a pound. Pork chops at Safeway 28 years ago today, when we had a balanced budget, were 89 cents a pound. Today, in the Washington Post, Safeway boneless pork chops are \$3.99 a pound. Mr. President, 28 years ago there was not a big headline in the paper, but there should have been. The big headline in the paper should have been, "Budget Balanced This Year for the Last Year in 28 Years."

Our colleagues say: Well, things are going great. It's wonderful. We ought to exempt the budget from itself. There's no reason to quit spending. But I think anybody who looks at what was in the paper 28 years ago today and what is in the paper today has to conclude that there have been a lot of changes in the 28 years since we have had a balanced budget and that many of those changes are not trends that we want to continue.

Finally, tomorrow is Valentine's Day. Twenty-eight years ago today you could buy this Whitman deluxe red foil heart assortment, 1 pound of candy, for \$2.66. After 28 years of deficit spending here in Washington, it costs \$8.79.

Mr. President, maybe some of our colleagues on the Democratic side of the aisle could say: Well, don't worry about housing costs up from \$18,000 to

\$230,000 and don't worry about automobile costs up from a monthly payment of \$51 to a monthly payment of \$248. Maybe they could say: Don't worry about the price of tires and don't worry about pork. But when the cost of love is exploding, the time has come to stop deficit spending. That is what this debate is about. I wanted to remind my colleagues before we all left for our work period at home. This organization is permanently charged with ensuring compliance with the convention's requirements and with monitoring the chemical industry and the chemical production throughout the world. The convention's preparatory commission, which is located in The Hague, is currently determining precisely how the permanent organization is going to be structured and how the convention is going to be implemented.

Every State that ratifies that convention has to complete the destruction of chemical weapons agents, munitions and production facilities within 10 years of the convention's entry into force, or its date of ratification, whichever comes earlier.

I would like to describe what the treaty accomplishes in terms of control of chemicals and their precursors and monitoring and tracking of those chemicals and precursors.

The convention establishes three lists, or schedules as they are called, of chemical warfare agents and their precursor chemicals. These are arranged in the order of their importance to chemical weapons production and the extent of their legitimate peaceful or commercial uses.

The OPCW Technical Secretariat will update those schedules as needed and as circumstances change. And the production, the use, or the transfer of any chemicals on these schedules above set minimal amounts must be projected prospectively by the manufacturers and subsequently reported annually to the OPCW.

Any facility that makes use of or is capable of producing scheduled chemicals has to register with the OPCW, as do facilities that produce over 30 metric tons annually of a discrete chemical containing phosphorous, sulphur, or fluorine.

So, Mr. President, what we gain here is a mechanism for knowing globally who produces what chemicals, how much they produce, and where these chemicals are going.

The inspections of chemical facilities provided by the convention will vary according to the nature of the chemicals. Those declared as producing, storing, or destroying chemical weapons are subject to systematic on-site inspection and continuous instrument monitoring. Those chemical facilities declared as nonchemical weapons facilities are subject to routine or random inspections, depending on the schedule or schedules on which the chemicals they produce or handle are listed. All other facilities that produce or handle or are suspected of producing

or handling chemicals are subject to on-site challenge inspections upon the request of a signatory nation.

So, I reiterate, under the terms of the convention we will achieve for the first time the ability to know who is producing what chemicals, how much they produce, and where these chemicals are moving, and we obtain the ability to inspect any of those chemical production or handling entities.

THE CHEMICAL WEAPONS CONVENTION

Mr. KERRY. Mr. President, I want to talk about an issue of enormous importance to our national security and express my hope that during the course of the next week, while the U.S. Senate is out of session, Senators will focus on and think hard about our responsibilities with respect to the Chemical Weapons Convention. More than 100 years of international efforts to ban chemical weapons, 100 years of effort, culminated January 13, 1993, in the final days of the Bush administration when the United States of America signed the Chemical Weapons Convention as one of the original signatories.

I hope my colleagues on the other side of the aisle will focus closely on the efforts of former President Bush, former National Security Adviser General Scowcroft, former Chairman of the Joint Chiefs of Staff General Powell, and so many other people whose bona fides with respect to issues of national security I do not believe have ever been at issue. They all worked hard and fought hard to bring this Convention to a successful conclusion.

Since the time the United States signed it as one of the original signatories, 160 other nations have joined in signing it. That is 161, I might say, out of a total of 190 independent states that compose the world community of nations.

Immediately after the signing, the process of ratification by the signatories began. The convention was submitted to the U.S. Senate for its advice and consent in November 1993, and multiple hearings have been held by the Senate Foreign Relations Committee, the Armed Services Committee, the Intelligence Committee, and the Judiciary Committee during both the 103d and the 104th Congresses. As of January 27, 1997, 68 nations have already ratified the Convention, but not the United States of America that helped lead the effort of its creation.

This Convention provides that it will take force and its provisions will become applicable to party nations 180 days following its ratification by the 65th nation. The 65th ratification occurred late last year, so the clock is now ticking toward the date on which it enters into force. The Convention will enter into force on April 29 of this year, just a little more than 2 months after we return from the recess period that begins later today.

It is important to understand the provisions of the Convention, espe-

cially when measured against that date. The Convention bans the development, production, stockpiling, and use of chemical weapons by its signatories. It also requires the destruction of virtually all chemical weapons and production facilities.

This treaty also provides the most extensive, most intrusive verification regime of any arms control treaty yet negotiated, extending its coverage not only to governmental and military but also to civilian facilities.

The fact is that this verification package provides, in the end, increased security to the United States. That verification package includes instrument monitoring, both routine and random inspections, and challenge inspections for sites that are suspected of chemical weapons storage or production. The Convention also requires export controls and reporting requirements on chemicals that can be used as warfare agents and their precursors.

In order to implement its provisions and to administer them on an ongoing basis, the Convention establishes the Organization for Prohibition of Chemical Weapons, or the OPCW. This organization is permanently charged with ensuring compliance with the Convention's requirements and with monitoring the chemical industry and the chemical production throughout the world. The Convention's preparatory commission, which is located in The Hague, is currently determining precisely how the permanent organization is going to be structured and how the Convention is going to be implemented.

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