

shortfall that is occurring among and for many of the youth of our Nation, which is again why I think it is so important that S. 543 garner passage here today, because it will free up so much energy to address this problem.

The other point I want to reiterate is that when you read through the statements and the work of General Powell and the others at the summit, they are not only talking about voluntarism but they are talking about voluntarism that occurs in very troubled communities. They use the terms poisonous streets and difficult environments. They are talking about not the everyday idea of an American family. They are talking about people who are products of broken families and very serious difficulties. The issue that I have tried to underscore with regard to S. 543 is that because these areas are so troubled and so difficult, it more than accentuates the need for some protection, legal protection for our volunteers who are willing to go into this area, because they are going into an environment, they are going into a situation that is troubled, volatile, abnormal, prone to difficulties and accidents, and conditions that would elevate the threat of legal ramifications.

So I think it is important that we are not talking out of the summit about some of the more traditional forms of voluntarism, many of which are not surrounded with risk, but this call for 2 million people to step forward in a difficult situation is all the more reason this Congress should take steps to make it easier for those volunteers to step forward.

Mr. President, I see my distinguished colleague from Alaska has come to the floor, and I am glad to yield the floor so that he might make his remarks.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I thank my friend from Georgia for his vigilance on this matter, trying to ensure that volunteers in this country are not subject to the extreme liabilities associated with their actions which, obviously, benefit all of society. I commend him for his commitment.

Mr. President, I ask unanimous consent I might make a statement as in morning business for about 6 or 7 minutes.

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

The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

BENEFITS FROM CRUISE SHIPS VISITING ALASKA LEGISLATION

Mr. MURKOWSKI. Mr. President, yesterday I reintroduced a bill that I introduced some years ago. I think it is a very important measure. It is a measure that will unlock and open a door

that Congress has kept barred for over 100 years. By opening this door, we are going to create thousands of new jobs, hundreds of millions of dollars in economic activity, and significant revenue for the Federal and State and local governments. Furthermore, that door can be opened with no adverse impact on any existing U.S. industry, U.S. labor interest, or on the environment. And it will cost the Federal Government nothing.

There is no magic to this. In fact, it is a very simple matter. This bill allows U.S. seaports to compete for the ever-growing cruise ship trade, specifically to my State of Alaska, but all west coast ports, Tacoma, San Francisco, Los Angeles, and so forth, would benefit. Further, it would encourage the development of an all-Alaska cruise business as well.

The bill I propose amends the Passenger Service Act to allow foreign cruise ships to operate from U.S. ports to Alaska and between Alaska ports. However, it also very carefully protects all existing U.S. passenger vessels by using a definition of cruise ship designed to exclude any foreign flag vessel that could conceivably compete in the same market as U.S.-flag tour boats, ferries, vessels that carry cargo, et cetera.

Finally, it provides a mechanism to guarantee that if a U.S. vessel, a cruise vessel, ever enters this trade in the future, steps will be taken to ensure an ample pool of potential passengers. Specifically, it would require that foreign-flag vessels of greater passenger capacity will be required to leave the market upon the entry of any U.S. cruise ship.

People say, don't we have U.S. passenger ships? We have one, just one left: the *Constitution*, that operates off the Hawaiian Islands. The last U.S. passenger ship that was built to cruise ship capability, was the S.S. *United States*, nearly 40 years ago. We are simply not in the cruise passenger business in the United States anymore, but foreign ships from the Caribbean are. They move to Alaska and the west coast of British Columbia in the summer, where they carry passengers between American ports and foreign ports, but cannot carry passengers between U.S. ports. What we are proposing is we simply allow those vessels on the west coast to carry passengers from west coast U.S. ports such as San Francisco and Tacoma, to Alaska, and on intra-Alaska voyages.

This is a straightforward approach to a vexing problem that deserves support by this body.

Let us look at the facts. The U.S. ports currently are precluded—let me emphasize this—U.S. ports are precluded from competing for the Alaska cruise ship trade by the Passenger Service Act of—when? Of 1886. That act bars foreign vessels from carrying passengers on one-way voyages between the U.S. ports. However, it is not 1886 anymore. These days, no one—no one is

building any U.S. passenger ship of this type. And no one has built one in over 40 years. The S.S. *United States* was the last one.

Let me again emphasize that it is not 1886 anymore. These days, no one is building any U.S.-flagged, U.S.-crewed, U.S.-built cruise ships of the type that are in the cruise business and sail out of Caribbean ports in the wintertime and out of Vancouver, British Columbia, to Alaska in the summertime.

Because there are no U.S. vessels in this important trade, the only real effect the Passenger Service Act has been to force all vessels sailing to my State of Alaska to base their operations in a foreign port, namely Vancouver, British Columbia.

In essence, Mr. President, what we have here is an act of Congress prohibiting U.S. cities from competing for thousands of jobs, and for hundreds of millions of business dollars. This is absurd. It is worse than absurd. In light of our ever-popular election year promises to keep the economy growing, I suggest it belongs to Letterman's top 10 reasons why Congress oftentimes does not know what it is doing.

Can anyone argue with a straight face for the continuation of a policy that fails utterly to benefit any identifiable American interest, while actively discouraging economic growth?

This is not the first time I have introduced this legislation. When I began the process, Alaska-bound cruise passengers totaled about 200,000 per year. By last year, 445,000 people, most of them American citizens, were making that voyage. This year's traffic may exceed 500,000 people. Almost all of those passengers are sailing to and from Vancouver, British Columbia, not because Vancouver is necessarily a better port, but because our own foolish policy demands it.

I have nothing but admiration for my friends in British Columbia and the city of Vancouver. They have done a fine job. But we are simply spiting ourselves and our own U.S. interests and it is time we looked at this issue rationally. The cash flow generated by this trade is enormous. Most of these passengers fly in and out of Seattle-Tacoma International Airport in Washington State, but because of this law they spend little time there. Instead they spend their pre- and post-sailing time in a Vancouver hotel, in a bus to Vancouver, at a Vancouver restaurant, a Vancouver coffee shop, and when their vessel sails it is loaded with food, fuel, general supplies, repair, maintenance needs taken care of—by Canadian vendors.

There is nothing wrong with that, but this business could be in the United States. According to some of our estimates, the city of Vancouver receives benefits of well over \$200 million a year. Others provide more modest estimates, such as a comprehensive study done by the International Council of Cruise Lines, which indicated that in 1992 alone, the Alaska cruise trade generated over 2,400 jobs for the city of

Vancouver, plus payments to Canadian vendors and employees of over \$119 million.

If that business had taken place in the United States, in U.S. ports such as Tacoma or San Francisco, it would have been worth additional Federal, State and local tax revenues of approximately \$60 million.

I note that there is interest now in ports in South Carolina to offer sailings along the eastern seaboard. It is interesting to note also that we have already seen fit to exempt Puerto Rico from the Passenger Service Act, under less onerous restrictions than in this bill, so that foreign vessels are allowed to from the United States to the territory of Puerto Rico. So we have made these exceptions, they can work without destroying the fabric of our life, and there is no justification why this should not also be done for voyages from the west coast to Alaska.

In addition to the opportunities now being shunted to Vancouver, we are also missing an opportunity to create entirely new jobs and increased income flow by developing new cruise routes between Alaska ports.

The city of Ketchikan, AK, was told a few years ago that there were two relatively small cruise lines that were very interested in establishing short cruises within southeastern Alaska, and indeed, were interested in basing their vessels in Ketchikan. I am told such a business could have contributed as much as \$2 million or more to that small community's economy and created dozens of new jobs, but because of the current policy, the opportunity simply evaporated.

Why, Mr. President, do we allow this to happen? This is a market almost entirely focused on U.S. citizens going to see one of the most spectacular States of the United States, namely, Alaska, and yet we force them to go to another country, Canada, to do it. We are throwing away both jobs and money and getting nothing in return. Why is this allowed to happen? The answer is simple, but it is not rational.

Although the current law is a job loser, there are those who argue that any change would weaken U.S. maritime interests. I submit that simply is not the case. For some inexplicable reason, paranoia seems to run deep among those who oppose this bill. They seem to feel that, by amending the Passenger Service Act so that it makes sense for the United States and would create jobs, somehow it is a threat to the Jones Act. That is not true. The vessels covered under the Jones Act haul freight, not passengers, between U.S. ports. They are required to be U.S. built, U.S. crewed, and U.S. documented, and because this protects an existing industry, we support that. But the circumstances for freight vessels do not exist for passenger ships.

There is simply no connection whatsoever between the two issues. I have repeatedly made it clear that I have no intention of using this bill to create

cracks in the Jones Act. This bill would actually enhance, not impede, opportunities for U.S. workers—shipyard workers and certainly longshoremen, not to mention hotel and restaurant workers, and many others who would have a great deal to gain from this legislation.

The bill has been carefully written to prevent the loss of any existing jobs in other trades. As I have said before, Puerto Rico already enjoys an exemption from the Passenger Service Act. We looked at that exemption—which has worked successfully—and drafted this effort with even more care in mind.

Finally, there can be no suggestion that this bill might harm smaller U.S. tour or excursion vessels built in U.S. yards with U.S. crews. The industry featuring these small vessels is thriving and doing well but simply does not cater to the same clientele and same base as the larger cruise ships. For one thing, the tour boats operating in Alaska are much smaller. The smallest foreign flag vessel eligible under this is Carnival Cruise Lines *Wind Star*, which is about 5,700 gross deadweight tons. It overnights approximately 159 passengers.

By contrast, although the largest U.S. vessel in the Alaska trade is rated at 138 passengers, she is less than 100 gross deadweight tons. This means there is a vast difference between these two vessels. The small U.S. vessels should be protected from foreign competition, and our bill does that, but it does so with the realization that not all markets, and not all passengers, are the same.

The fact of the matter is that there is no significant competition between the two types of vessels, because the passengers inclined to one are not likely to be inclined to the other. The larger passenger vessels offer unmatched luxury, personal service, onboard shopping, entertainment, gaming and so forth. The smaller vessels offer more flexible routes, the ability to get closer to the extraordinary natural attractions along the way and are able to get into the smaller communities.

Now Mr. President, in the spirit of full disclosure, let me acknowledge that there is one operating U.S. vessel that does not fit the mold, as I mentioned earlier. That is the *Constitution*, an aging 30,000-ton vessel operating only in Hawaii. It was a U.S. flag vessel that was built years ago to operate in the United States. It went out of U.S. operation, into foreign flag service, then was refitted. It took action by Congress to allow it to come back into the U.S. trade.

This is the only oceangoing-capable U.S. ship that might fit the description of a cruise vessel, but I question its ability to compete, certainly in the market with the newer cruise vessels. And I repeat, it is the only one. I searched for other U.S. vessels that meet or exceed the 5,000-ton limit in the bill, and the only ones I found that

even approach it are the *Delta Queen* and the *Mississippi Queen*, both of which are approximately 3,300 tons and both of which are somewhat like 19th century riverboats. They can operate on the Mississippi and other large rivers, but are entirely unsuitable for any open-ocean itinerary.

I cannot claim this legislation would immediately lead to increased earnings to U.S. ports. There are advantages of operating out of Vancouver—the sailing time to Alaska is shorter, and so forth. But I can say that it would allow U.S. ports—ports like Tacoma and San Francisco—to compete fairly for this lucrative business.

Instead of being anchored by a rule that is actively harmful to U.S. interests, as I said at the beginning, this is only a way to open the door so we can look at what we are losing and look at what we can gain.

We heard a lot of talk about growing the economy and creating jobs during the last years, and we all know that such changes are easy to talk about but difficult to accomplish. Here is a bill that opens up the door to thousands of jobs and hundreds of millions of dollars, and can do it without 1 red cent of the taxpayers' money. Isn't that worth thinking about?

It has been 110 years since the current law was enacted, and it is time for a change.

VOLUNTEER PROTECTION ACT OF 1997

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. COVERDELL. Mr. President, I ask unanimous consent that during the pendency of S. 543, there be 30 minutes for debate, to be equally divided between Senators COVERDELL and LEAHY or their designees, with an additional 15 minutes under the control of Senator MCCONNELL; that there be one amendment in order only, to be offered by Senator COVERDELL, encompassing the managers' agreed-upon language, that there be 40 minutes of debate on the amendment to be equally divided between Senators COVERDELL and LEAHY or their designees, that no other amendments or motions be in order and, following the disposition of the amendment, the bill be advanced to third reading and there be an additional 10 minutes for debate to be equally divided between Senators COVERDELL and LEAHY.

Mr. President, this agreement has been cleared by the ranking minority member.

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

AMENDMENT NO. 53

(Purpose: To provide a complete substitute.)

Mr. COVERDELL. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.