tools necessary to improve the competitive position of the U.S. textile and apparel industry.

In behalf of the textile and apparel workers in West Virginia, and the nation, I am proud to be a cosponsor of the Customs Enforcement and Market Access Act. I thank Senator FORD for his leadership in introducing the bill.

FAMILY PEACE DAY

Ms. MOSELEY-BRAUN. Mr. President, I ask my colleagues to join me in recognizing the first-annual Family Peace Day in Chicago, IL.

The goal of Family Peace Day is to focus attention on domestic abuse issues, how to combat domestic violence and build healthy families, to address legal issues and to inform Illinois citizens of the resources available to combat domestic violence.

Family Peace Day is a joint project of the Women's Bar Association of Illinois and the Black Women Lawyers' Association of Greater Chicago, Inc. Chicago Mayor Richard M. Daley, Justice Mary Ann G. McMorrow of the Illinois Supreme Court, Chief Judge Donald O'Connell of the Circuit Court of Cook County, and Cook County Board President John H. Stroger, Jr., are serving as honorary cochairs. Additional supporters include Attorney General James Ryan, Chicago Metropolitan Battered Women's Domestic Violence Network, Chicago Public Schools, Chief Judge Donald O'Connell's Domestic Violence Coordinating Council, Cook County State's Attorney Richard Devine, the Department of Children and Family Services, Illinois Family Violence Coordinating Council, and many legal, judicial, health care, social service and nonprofit organizations, including the American Medical Association, the Archdiocese of Chicago, the Chicago Police Department, the Council for the Jewish Elderly, the John Marshall Law School, the Mujeres Latinas En Accion, and the Peace Museum. I commend these individuals and organizations for working together to help victims of domestic abuse and to teach individuals how to combat domestic violence and build healthy families.

The Family Peace Day activities will begin with a press conference kickoff rally and award presentation to Chicago public school student winners of poetry, prose, and poster contests depicting their vision of a healthy family. There will be an Expo consisting of booths providing the public free legal and medical advice and counseling or referrals from social service providers, health care providers, and attorneys practicing family law. At noon there will be a luncheon awards ceremony at the Palmer House Hilton, sponsored by the Circuit Court of Cook County, to honor those who have made significant contributions to the administration of justice in the areas of domestic violence and abuse.

There can be no more important goal than healthy, safe, and strong families. I am proud that Chicago is taking the lead in holding the first Family Peace Day and I look forward to communities around the country joining in with their own Family Peace Day activities.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the order, morning business is closed.

SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT OF 1997

The PRESIDING OFFICER. The Senate will now proceed to consideration of S. 672, which the clerk will report.

The bill clerk read as follows:

A bill (S. 672) making supplemental appropriations and rescissions for the fiscal year ending September 30, 1997, and for other purposes.

The Senate proceeded to consider the bill.

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

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that the privilege of the floor be granted to the appropriations staff as listed on the request that I send to the desk.

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

The list is as follows:

Majority clerks: Becky Davies, Jim Morhard, Mary Beth Nethercutt, Alex Flint, Robin Cleveland, Bruce Evans, Craig Higgins, Christine Ciccone, Sid Ashworth, Wally Burnett, Tammy Perrin, and Jon Kamarck.

Also, Lisa Sutherland, Dona Pate, Susan Hogan, Jay Kimmitt, Carrie Apostolou, Martha Poindexter, Kevin Linsky, and Paddy Linc.

Mr. STEVENS. Mr. President, this bill covers several subcommittees. It is just easier to do it that way.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, it is my privilege to present to the Senate S. 672, which provides emergency supplemental appropriations for numerous natural disasters and defense overseas contingencies. This is my first opportunity to come before the Senate as chairman of the Appropriations Committee, and I am very proud that this first bill from our committee focuses on assisting our fellow citizens in need. I am humbled to be here with my good friend from West Virginia, the distinguished former majority leader, minority leader, chairman of our Appropriations Committee, and now the ranking member of the Appropriations Committee. I can think of no one I have studied under longer than Senator BYRD. It is a privilege to be here to present this bill with him today.

Our committee reported this bill on Wednesday, and the report has been available since last Thursday for Members. Many of our colleagues will comment later on the terrible events which precipitated this disaster relief bill. They represent the States involved, and I will leave it to them to comment on the specific situations in their own States.

Our committee worked to target spending in this bill to the agencies and accounts that are responding to these crises now. The $5.5 billion provided for emergency relief exceeds the President's request by $2.5 billion. Some of these funds will not be spent this fiscal year. We sought to use the best estimates we could, but in many cases it will be weeks or months until a final assessment of damages can be made in these disaster areas.

As has been widely reported, there are some controversial measures in this bill. I do thank all my colleagues on the Appropriations Committee for their cooperation during the markup last week. One clear conclusion we reached was that not all the funds in this bill will be directed to the most recent disasters. We have witnessed a steady increase in the Presidential disaster recommendations, which have radically increased disaster relief costs. In addition, the President has waived the matching requirement on many of the programs involved, adding to the Federal costs for these disasters. We cannot and will not try to solve this problem on this bill, but it is something I believe must be addressed by Congress. There ought to be a clear understanding and a clear yardstick for disasters, regardless of the area involved.

All new spending in this bill is offset by corresponding rescissions or budget authority or canceling spending authority. This is sort of complicated. For budget scoring purposes, the disaster-related spending will be treated as an emergency. Those outlays will not count against this year's budget limits.

Part of this difference relates to how CBO scores appropriations bills. The Congressional Budget Office has a unique approach. When we appropriated funds for military personnel in September, the Congressional Budget Office scored those outlays—the money would actually be spent under the authorizations that were previously given by Congress—they were scored at 98 percent. Yet, when we rescind those same funds in this bill, the Congressional Budget Office process credits the committee with only 25 percent of the outlays as savings to offset the money spent. It is the same dollar, but we only get a portion of the credit. The moneys have already been spent; that is the problem. The bias of the CBO process makes offsetting outlays a daunting task this late in the fiscal year.

Our committee did not recommend general cuts against agencies to offset these disaster funds, and I urged Members not to propose reductions against the operating accounts of agencies. The disaster relief funds proposed in the bill are not targeted or earmarked for any region of the country. Again, I ask our colleagues to follow the suggestions the Appropriations Committee made and hold to this practice during the consideration of this bill. The needs of all persons and communities impacted by these crises are real and pressing. Mr. President, some of these disasters occurred last year, some this year. I do not believe we should—and I will oppose attempts to—tie the funds of agencies responsible for providing relief to the impacted regions. There is still much unknown about these disasters, as I said before. I do not believe we should second-guess, nor should we micromanage from Congress, relief efforts at this stage. Once more precise recovery plans are developed, we will have an opportunity in the fiscal year 1998 bills, which will be presented later this year, to address some additional specific needs.

The bill also includes $1.8 billion for defense contingency operations. Earlier this year, I went with a delegation of Senators to Bosnia and to Southwest Asia to review United States military operations there. We returned disturbed by the lack of concern about the costs of the operations by our regional commanders. My staff and I have been working since January with the comptroller at the Department of Defense and the Joint Chiefs of Staff to establish procedures and controls to help control and monitor spending for overseas deployments. This committee report before the Senate reduced the funds requested for overseas operations by $100 million. Already, to his great credit, Secretary Cohen has reduced unneeded units in both Bosnia and southwest Asia, and I believe more savings will be achieved during this fiscal year.

In the case of unforeseen emergencies, our bill includes an additional $100 million in reprogramming authority for the Department of Defense. In the past, the administration has increased spending on these overseas operations without any consultation with Congress.

The commanders in the field discussed with the Senators I was with and myself, in January, in Bosnia, in Kuwait, in Saudi Arabia, and in connection with the Bosnia operation in both Hungary and Italy, commitments of 20 to 30 years for procurement for these overseas deployments. They did so without the slightest concern or hesitation about the costs involved. I believe that is a process that should stop. Spending on contingencies does not mean giving military commanders a blank check to commit us to expenditures far into the years to come for deployments which have never been approved by Congress.

In fiscal year 1998, we will take specific steps to ensure fiscal concerns are addressed on all peacekeeping operations. The Department of Defense now refers to missions such as Bosnia and Southwest Asia as, ‘‘operations other than war.’’ Unfortunately, some spending practices of the Department, and particularly the regional commanders, assume wartime needs and are driven by wartime needs.

I want to assure the Senate and the Department that our committee will tirelessly work to ensure that any of our forces deployed in the field have everything they need to fight and win and maintain their safety in any conflict. Their deployment, however, cannot be without the participation of Congress. Ultimately we are called upon to pay the bill for such deployments.

We have had some disagreements with regard to this bill. I do not think there has been any question, however, that all concerned wanted to report this bill to the Senate as quickly as possible to meet the needs that I have spoken about. I hope the bill marks the commencement of a long and fruitful partnership among all members of the Appropriations Committee serving during this Congress. I do believe that this bill can be completed by tomorrow evening, or Wednesday at the latest. It will, of course, be our practice to await the passage of the bill in the House before we take final action on this bill. And I do hope all Senators will help us work toward the goal of being prepared to send the bill to conference as soon as the House has sent us their appropriations bill for these disasters.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, as every Senator is aware, over the past winter and now into spring, the Nation has been besieged by numerous natural disasters that have wreaked havoc on hundreds of communities across the country and have affected the lives of hundreds of thousands of our citizens. The damages from these disasters in terms of financial losses run into the billions of dollars. Many people have lost many, if not all, of their worldly possessions, things that they worked for for a lifetime. Not only their homes and personal possessions have been destroyed, but in many cases, entire communities have been wiped out, leaving many citizens with no means of livelihood.

It is only fitting that the President and the Senate should move as quickly as is humanly possible to address the financial costs of these disasters and thereby, hopefully, help to lift the spirits of those who have lost so much.

The bill now before the Senate contains more than $5.5 billion for the various disaster assistance programs throughout the Federal Government to provide relief for the communities and the citizens of those communities who have suffered devastation from these historic natural disasters. The largest single amount, $3.5 billion, will go to the Federal Emergency Management Agency, FEMA, which has a major responsibility in providing disaster relief. In addition, the bill provides $650 million for emergency highway repairs resulting from floods in the western, midwestern, northern plains and mid-Atlantic regions of the Nation between December of 1996 and April of this year. This amount is $359 million more than requested by the administration, but is fully supported by the President since the committee's recommendation covers the most recent estimates of highway damages.

For the emergency conservation program, an appropriation of $77 million is included, together with $161 million for watershed and flood prevention operations. For the Economic Development Administration, the bill contains an appropriation of $54.7 million for emergency grants.

The bill also contains over $500 million for flood control and operations and maintenance accounts of the Corps of Engineers, and $187 million for emergency repairs of national parks, principally at Yosemite National Park. There is an appropriation of $91 million for construction activities of the Fish and Wildlife Service for damages to their resources due to flooding and storms around the country. For the U.S. Forest Service, $68 million is provided for repairs, reconstruction, and restoration of their roads, facilities, fish and wildlife habitats, etc.

Finally, as recommended by the President, the bill contains $100 million for community development block grants, or CDBGs, to assist communities throughout the Nation with their emergency expenses in dealing with the tragic circumstances facing them as a result of these natural disasters.

In all, Mr. President, some 33 States, including my own State of West Virginia, will qualify for these disaster assistance funds.

The bill also contains appropriations totaling over $1.8 billion for continuing operations by the Department of Defense in Bosnia and Southwest Asia, as well as other non-emergency discretionary appropriations, including $58 million for WIC, $31 million for the District of Columbia, and $100 million for payments to the United Nations.

It is important to note that all of the fiscal year 1997 discretionary amounts provided in the bill have been offset by budget authority cuts. The full amounts of emergency appropriations, $5.5 billion, the nearly $1.8 billion in DoD appropriations, and the $273 million in regular, non-DoD supplementals have all been fully offset.

While I do not subscribe to the notion that emergency appropriations for disaster assistance should have to be offset, I congratulate the chairman and the various subcommittee chairmen and ranking members who searched for and found offsets sufficient to fully cover the entire budget authority recommended in this bill.

I understand the administration is also supportive of these offsets, the principal one being a rescission of $3.6 billion from HUD's Section 8 housing program. These funds apparently cannot be obligated this fiscal year and, consequently, can be rescinded without causing undue harm to this program.

The bill also contains a mandatory appropriation of $753 million for veterans' compensation and pensions. This amount is needed to pay for an increased caseload in this area, as well as the cost-of-living adjustment enacted last year for compensation benefits.

Senators should also be aware that the committee recommends an increase in the 1997 highway obligation limit of $933 million. This is some $615 million more than requested by the administration, but it is necessary to ensure that no State receives less Federal-aid highway apportionments than it got in 1996. Finally, the bill advances appropriations of $198 million for title I education funding for fiscal year 1998.

So, in carrying out its responsibilities in providing these desperately needed funds to hundreds of thousands of citizens in a fiscally responsible way, the committee has done well and I congratulate the chairman, Senator STEVENS, as well as the subcommittee chairmen and ranking members, who have primary responsibility over various portions of the bill.

Unfortunately, Mr. President, the bill reported by the committee contains several non-emergency, controversial provisions which, if not removed prior to the bill's being presented to the President, will cause him to veto the bill. There is no question about it, the President will veto S. 672, the pending measure, unless at least some of these objectionable provisions are removed. I have here a letter addressed to me from the Director of the Office of Management and Budget, Franklin D. Raines, which addresses the administration's concerns in a number of areas. Principal among those concerns is the so-called ''automatic CR'' language contained in title VII of the pending measure. That provision was debated during the committee markup, after which my motion to strike the provision failed on a party-line vote of 13 yeas to 15 nays. I shall have more to say about this title and the reasons why I believe it should be stricken from the bill as the debate unfolds on S. 672.

A number of the other provisions in this bill to which the administration objects were discussed during the committee markup, with several Senators indicating their intentions to offer floor amendments on those provisions. Among those provisions are: one, a provision prohibiting the Department of Commerce from developing a plan for the 2000 decennial census that would use sampling; two, a provision that would waive certain portions of the Endangered Species Act; three, a provision relating to the promulgation of rules on RS2477; and, finally, a provision establishing a block grant to states to assist legal immigrants losing their SSI and Medicaid eligibilities.

Additionally, I understand that there are several other possible controversial floor amendments which may be proposed by various Senators on a variety of issues.

Mr. President, I close by asking, why is it that the majority has chosen this bill, of all bills, to attach certain objectionable amendments which the majority knows are controversial and which will cause a Presidential veto? I am not an advocate of even the constitutional Presidential veto, and, of course, I am adamantly opposed to the line-item veto. But in the case of the constitutional Presidential veto, I am not an advocate of it but I certainly would expect and would hope that the President would veto this bill if the automatic CR provision remains in it when it reaches his desk. What justifiable reason can there be to hold this disaster assistance bill hostage to such riders that have nothing to do with the basic purposes of the bill?

Meanwhile, the hundreds of thousands of victims in 33 States who are suffering from the ravages of the disasters which this bill addresses will possibly have to wait. It suits the political agenda of the majority to have this delay and the confrontation with the President, perhaps, and unless these matters are resolved here, or in conference with the House, we may have to go through the veto process before we will be able to get these funds enacted and out to the people who so desperately need this assistance.

So, I entreat my colleagues to rethink their positions on such controversial, unrelated matters which have no business being included on this bill. It is not too late to resolve these issues in ways that will remove the likelihood that the President will veto this disaster assistance bill.

I, again, congratulate the chairman of the committee, Mr. STEVENS, my long-time friend, the Senator from Alaska, and I congratulate all of the subcommittee chairmen and ranking members. I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, as you know, over the past several weeks, towns and farms in Minnesota, North Dakota and South Dakota have been battered by the floodwaters of the Red River. It is impossible to describe the devastation that the flooded Red River is causing in Minnesota and North Dakota, because the enormity of the damage, so far, is far beyond what anyone has ever put into words.

The lives of those who live in the flooded areas have been shattered. Entire communities—homes, schools, churches, hospitals, libraries—have literally been washed away. Thousands of residents have no home to go to, so they crowd into shelters, unsure yet of what the river will leave behind when it finally releases its hold. Many cannot sleep because there is so much uncertainty. They cannot bathe because there is no running water. They cannot make plans because there are so many unanswered questions.

Mr. President, I have been working with the Governor of Minnesota and my fellow Senators in the flood area to assess how to address the needs of these deserving people. Part of our effort has been to get the funds and assistance to rebuild through the supplemental appropriations bill that will, hopefully, pass today or tomorrow or Wednesday at the latest. Part of it has been to listen to the concerns of our constituents and to make sure that they do get speedy assistance from the agencies that are administering the State and Federal relief efforts.

While I have been involved in many efforts to ease the suffering of my constituents, I am here today to offer as an amendment to the supplemental appropriations bill, along with my colleague from South Dakota, Senator JOHNSON, the Depository Institution Disaster Relief Act. This amendment will complement the other relief efforts by making it easier for farmers, homeowners, small businesses and local governments to rebuild from the devastation that has been brought by the floods.

AMENDMENT NO. 54

(Purpose: To facilitate recovery from the recent flooding across North Dakota, South Dakota, and Minnesota by providing greater flexibility for depository institutions and their regulators, and for other purposes)

Mr. GRAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS], for himself and Mr. JOHNSON, proposes an amendment numbered 54.

Mr. GRAMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE ___—DEPOSITORY INSTITUTION DISASTER RELIEF

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Depository Institution Disaster Relief Act of 1997''.

SEC. ___02. TRUTH IN LENDING ACT; EXPEDITED FUNDS AVAILABILITY ACT.

(a) TRUTH IN LENDING ACT.—During the 180-day period beginning on the date of enactment of this Act, the Board may make exceptions to the Truth in Lending Act (15 U.S.C. 1601 et seq.) for transactions within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1997 flooding of the Red River of the North and its tributaries, if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(b) EXPEDITED FUNDS AVAILABILITY ACT.—During the 180-day period beginning on the date of enactment of this Act, the Board may make exceptions to the Expedited

Funds Availability Act (12 U.S.C. 4001 et seq.) for depository institution offices located within any area referred to in subsection (a) if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(c) TIME LIMIT ON EXCEPTIONS.—Any exception made under this section shall expire not later than the earlier of—

(1) 1 year after the date of enactment of this Act; or

(2) 1 year after the date of any determination referred to in subsection (a).

(d) PUBLICATION REQUIRED.—Not later than 60 days after the date of a determination under subsection (a), the Board shall publish in the Federal Register a statement that—

(1) describes the exception made under this section; and

(2) explains how the exception can reasonably be expected to produce benefits to the public that outweigh possible adverse effects.

SEC. ___03. DEPOSIT OF INSURANCE PROCEEDS.

The appropriate Federal banking agency may, by order, permit an insured depository institution, during the 18-month period beginning on the date of enactment of this Act, to subtract from the institution's total assets, in calculating compliance with the leverage limit prescribed under section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o), an amount not exceeding the qualifying amount attributable to insurance proceeds, if the agency determines that—

(1) the institution—

(A) had its principal place of business within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1997 flooding of the Red River of the North and its tributaries, on the day before the date of any such determination;

(B) derives more than 60 percent of its total deposits from persons who normally reside within, or whose principal place of business is normally within, areas of intense devastation caused by the major disaster;

(C) was adequately capitalized (as defined in section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o)) before the major disaster; and

(D) has an acceptable plan for managing the increase in its total assets and total deposits; and

(2) the subtraction is consistent with the purpose of section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o).

SEC. ___04. BANKING AGENCY PUBLICATION REQUIREMENTS.

(a) IN GENERAL.—During the 180-day period beginning on the date of enactment of this Act, a qualifying regulatory agency may take any of the following actions with respect to depository institutions or other regulated entities whose principal place of business is within, or with respect to transactions or activities within, an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1997 flooding of the Red River of the North and its tributaries, if the agency determines that the action would facilitate recovery from the major disaster:

(1) PROCEDURE.—Exercise the agency's authority under provisions of law other than this section without complying with—

(A) any requirement of section 553 of title 5, United States Code; or

(B) any provision of law that requires notice or opportunity for hearing or sets maximum or minimum time limits with respect to agency action.

(2) PUBLICATION REQUIREMENTS.—Make exceptions, with respect to institutions or other entities for which the agency is the primary Federal regulator, to—

(A) any publication requirement with respect to establishing branches or other deposit-taking facilities; or

(B) any similar publication requirement.

(b) PUBLICATION REQUIRED.—Not later than 90 days after the date of an action under this section, a qualifying regulatory agency shall publish in the Federal Register a statement that—

(1) describes the action taken under this section; and

(2) explains the need for the action.

(c) QUALIFYING REGULATORY AGENCY DEFINED.—For purposes of this section, the term ''qualifying regulatory agency'' means—

(1) the Board;

(2) the Office of the Comptroller of the Currency;

(3) the Office of Thrift Supervision;

(4) the Federal Deposit Insurance Corporation;

(5) the Federal Financial Institutions Examination Council;

(6) the National Credit Union Administration; and

(7) with respect to chapter 53 of title 31, United States Code, the Secretary of the Treasury.

SEC. ___05. SENSE OF THE CONGRESS.

It is the sense of the Congress that each Federal financial institutions regulatory agency should, by regulation or order, make exceptions to the appraisal standards prescribed by title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.) for transactions involving institutions for which the agency is the primary Federal regulator with respect to real property located within a disaster area pursuant to section 1123 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3352), if the agency determines that the exceptions can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

SEC. ___06. OTHER AUTHORITY NOT AFFECTED.

Nothing in this title limits the authority of any department or agency under any other provision of law.

SEC. ___07. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term ''appropriate Federal banking agency'' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(2) BOARD.—The term ''Board'' means the Board of Governors of the Federal Reserve System.

(3) FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCY.—The term ''Federal financial institutions regulatory agency'' has the same meaning as in section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350).

(4) INSURED DEPOSITORY INSTITUTION.—The term ''insured depository institution'' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(5) LEVERAGE LIMIT.—The term ''leverage limit'' has the same meaning as in section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o).

(6) QUALIFYING AMOUNT ATTRIBUTABLE TO INSURANCE PROCEEDS.—The term ''qualifying amount attributable to insurance proceeds'' means the amount (if any) by which the institution's total assets exceed the institution's average total assets during the calendar quarter ending before the date of any determination referred to in section ___03(1)(A), because of the deposit of insurance payments or governmental assistance made with respect to damage caused by, or other costs resulting from, the major disaster.

Mr. GRAMS. Mr. President, the Depository Institution Disaster Relief Act will help speed up the pace of recovery for flooded farms and towns. Our amendment will permit homeowners, farmers, and small businesses to have faster access to a larger pool of credit from the banks and credit unions that serve their communities by ensuring that there will be no regulatory roadblocks to local lending. It will permit Federal banking and credit union regulators to make temporary exceptions to current laws that act to reduce access to banks and credit unions in disaster areas. It will also permit Federal regulators to provide temporary relief from regulations so that it will be easier for flood victims to get loans.

The temporary regulatory relief offered by this bill is strictly limited to those counties in Minnesota, North Dakota, and South Dakota that have been declared Federal disaster areas. Because of its targeted scope and limited duration, it will permit flood victims to rebuild their homes, farms, and businesses without compromising the integrity of our banking system.

When I served in the House of Representatives, I authored similar legislation in 1993 during the Mississippi River flooding. My legislation received bipartisan support and was signed into law by President Clinton as part of the supplemental appropriations bill for disaster relief. Since this legislation worked well to help flooded communities rebuild in 1993, I am here to urge my colleagues to again support this amendment to the supplemental appropriations bill.

Mr. President, I ask unanimous consent that a summary of this amendment's provisions be printed in the RECORD.

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

DEPOSITORY INSTITUTION DISASTER RELIEF ACT OF 1997

Purpose

Over the past several weeks, towns and farms in Minnesota, North Dakota and South Dakota have been demolished by the flood waters of the Red River of the North, its tributaries, and other rivers. Because of the extreme level of flood damage, President Clinton has declared these areas to be eligible for federal disaster relief pursuant to Section 401 of the Disaster Relief and Emergency Assistance Act.

The Depository Institution Disaster Relief Act (''DIDRA'') will significantly speed up the pace of recovery for the flooded farms and towns. DIDRA will permit homeowners, farmers, small-businesses and local governments in the flood disaster areas to have faster access to a larger pool of credits from the banks, thrifts and credit unions that serve their communities. DIDRA will do this by permitting federal financial institution regulators to make temporary exceptions to current laws that (1) hamper the ability of banks, thrifts and credit unions to reopen their doors to depositors, (2) slow down the lending process and (3) reduce the availability of credit.

Summary of Provisions

Section 1—Title of statute

The bill is called the ''Depository Institution Disaster Relief Act of 1997'' (DIDRA). This bill contains provisions that are substantially identical to temporary emergency relief legislation that was signed into law in 1992 and 1993.

Section 2(a)—Exceptions to Truth In Lending Act

The Federal Reserve Board may make exceptions to the Truth In Lending Act (TILA) for loans given by a bank, thrift or credit union that is in the disaster area. The exceptions must be made within 180 days of enactment of DIDRA, and may only last a maximum of one year. For example, this permits the Federal Reserve Board to permit consumers to receive the proceeds from their loans 3 days faster by permitting them to sign preprinted forms that waive their 3 day right of rescission period pursuant to Section 125 of TILA (15 U.S.C. 1635).

Section 2(b)—Exceptions to Expedited Funds Availability Act

The Federal Reserve Board may make exceptions to the Expedited Funds Availability Act (EFAA) to any bank, thrift or credit union in the disaster area, so that they may restart their check processing operations sooner. The exceptions must be made within 180 days of enactment of DIDRA, and may only last for a maximum of one year. For example, this permits the Federal Reserve Board to let a bank, thrift or credit union restart serving its customers even though the disruption from the flooding makes it need more than one business day to process cash deposits and government checks as required by Section 603 of EFAA (12 U.S.C. 4002).

Section 3—Exception to the Federal Deposit Insurance Act to Permit the Deposit of Insurance Proceeds in Bank Accounts

Farms, businesses and local governments in the flood disaster areas will be receiving large amounts of insurance proceeds. This money will invariably be deposited in banks, thrifts and credit unions for a short duration until the money is used for rebuilding. Unfortunately, the depositing of large amounts of insurance proceeds may cause banks and thrifts to be deemed undercapitalized pursuant to Section 38 of the Federal Deposit Insurance (FDIA) (12 U.S.C. 1831o). This could cause credit to dry up in the disaster areas, as Section 38 would automatically require a depository institution to file a capital restoration plan with the FDIC, even if the insurance proceeds were invested in assets creating little additional risk to the depository institution. Section 38 of the FDIA would compel a depository institution to obtain formal approval from the FDIC in order not to be restricted in its lending policies. Section 3 of DIDRA permits the OCC, the Federal Reserve Board, the FDIC and the OTS to subtract insurance proceeds from the depository institution's assets when they calculate whether the depository institution meets the FDIA's minimum leverage standards (i.e., equity capitalization requirements). Any exception that the regulators make to Section 38 of FDIA will expire after 18 months.

Section 4—Authority of Regulators to Act Quickly to Facilitate Recovery in Disaster Areas

Within 180 days after the enactment of DIDRA, a qualifying regulatory agency is given the flexibility to take any actions permitted under its existing statutory authority to facilitate recovery in the disaster area without being delayed or impeded by (1) having to provide a general notice of proposed rule-making in the Federal Register, (2) having to hold a hearing, (3) being restricted by time limits with respect to agency action or (4) having to meet certain publication requirements. However, within 90 days of taking an action, the qualifying regulatory agency must publish in the Federal Register a statement that (1) describes what it did and (2) explains the need for the action.

Section 5—Sense of Congress re: Exceptions to Appraisal Requirements

The Depository Institutions Disaster Relief Act of 1992 (PL 102–485, Oct. 23, 1992) amended the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) to give regulators the authority to waive certain appraisal standards in disaster areas. The waiver of certain appraisal standards for real estate loans in disaster areas will (1) permit homes to be rebuilt faster by expediting the lending process and (2) lower the cost of receiving loans to rebuild such homes. Section 1123 of FIRREA (12 U.S.C. 3353) currently permits the OCC, OTS, FDIC, Federal Reserve Board and NCUA to waive such appraisal standards for 3 years in disaster areas.

Section 5 of DIDRA states that it is the sense of the Congress that these federal regulators should exercise their authority under Section 1123 of FIRREA to temporarily waive such standards.

Section 6—Limitation of DIDRA

DIDRA shall not limit the authority of any federal agency under any other provision of law.

Section 7—Definitions

This section defines certain terms used in DIDRA: (1) appropriate federal banking agency, (2) Board, (3) Federal financial institutions regulatory agency, (4) insured depository institution, (5) leverage limit, and (6) qualifying amount attributable to insurance proceeds.

Mr. GRAMS. Mr. President, the Depository Institution Disaster Relief Act is a carefully crafted amendment. It has been reviewed and approved by the Treasury Department, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency.

I ask unanimous consent that letters of support from the Treasury Department, the Federal Reserve, and the FDIC be printed in the RECORD.

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

DEPARTMENT OF THE TREASURY,
Washington, DC, May 5, 1997.

HON. TIM JOHNSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR JOHNSON: Thank you for requesting the Treasury's views on S. 652, the Depository Institution Disaster Relief Act of 1997, which seeks to speed the recovery of areas flooded by the Red River of the North in Minnesota, North Dakota, and South Dakota.

In 1992 and 1993, Congress passed similar legislation in response to natural disasters. Like those bills, S. 652 would permit the federal regulators of banks, savings associations, and credit unions to make temporary exceptions to statutes and regulations that may hamper the reopening of these institutions, slow down the lending process, and reduce the availability of credit. This authority is intended to facilitate providing much needed financial services to disaster victims, and would have no adverse effect on the safety and soundness of depository institutions.

We share Congress's interest in assisting the victims of natural disasters and support the passage of S. 652.

Sincerely,

JOHN D. HAWKE, JR.,
Under Secretary of Domestic Finance.

FEDERAL DEPOSIT INSURANCE CORP.,
Washington, DC, April 29, 1997.

Hon. ROD GRAMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAMS: Thank you for inviting the Federal Deposit Insurance Corporation to comment on S. 652, the Depository Institution Disaster Relief Act of 1997 (DIDRA), which would allow the FDIC and other federal financial institution regulatory agencies flexibility in enforcing capital and other standards for financial institutions located or doing substantial business within the flood-affected areas of the Red River of the North.

The FDIC is sensitive to the special needs that accompany natural disasters such as floods, earthquakes, and major storms, and we support the intent of DIDRA to facilitate recovery from such disasters. The federal agencies have been granted and have used similar temporary authority during past disasters.

Certain laws and regulations that are beneficial and protect public policy interests in normal times may hamper an insured institution's ability to respond quickly in providing financial services during disasters. We have learned in the past, when natural disasters affect communities, granting very limited relief from such laws does not affect the safety and soundness of insured institutions. Insured institutions continue to be subject to active supervision and bank management is always expected to act in a prudent manner. It is unlikely that regulated institutions would purposely harm themselves or their customers, or cause a loss to the insurance fund solely due to the kind of temporary relief called for by the legislation. If any institution were to become involved in unacceptable activities, the federal financial institution regulatory agencies have substantial enforcement powers to compel correction.

The FDIC supports S. 652 as a reasonable proposal to assist communities in their recovery from this natural disaster. I appreciate the opportunity to comment on this important issue, and the FDIC stands ready to help in any way it can. Please let me know if you have further questions or concerns.

Sincerely,

RICKI HELFER,
Chairman.

BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, DC, April 28, 1997.

Hon. ROD GRAMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR: This letter responds to your request for the Board's views on S. 652, ''The Depository Institution Disaster Relief Act of 1997,'' which you introduced to help speed recovery from the recent flooding of the Red River in Minnesota, North Dakota, and South Dakota. The bill would allow the Board to make temporary exceptions to the requirements of the Truth in Lending and Expedited Funds Availability Acts; would allow the federal banking agencies to permit insured institutions to temporarily exclude certain insurance proceeds from their capital calculations; and would allow the agencies to take actions to facilitate recovery without regard to certain procedural requirements, such as those of the Administrative Procedure Act. S. 652 also contains a ''Sense of the Congress'' resolution calling on the banking agencies to use their existing authority to waive the appraisal requirements of Title XI of FIRREA.

As you know, the proposal closely tracks legislation enacted in 1992 and 1993 in the wake of earlier natural disasters. Based on our experience in administering those similar laws, the Board believes that S. 652 would provide the regulators with useful flexibility that would assist in the disaster-recovery process. Accordingly, the Board supports its enactment.

Thank you for this opportunity to share the Board's views.

Sincerely,

ALAN GREENSPAN,
Chairman.

Mr. GRAMS. Mr. President, this amendment has the support of the chairman of the Senate Banking Committee, Senator ALFONSE D'AMATO, and also the ranking member of that committee, Senator PAUL SARBANES.

I ask unanimous consent that Senators D'AMATO and BENNETT be added as cosponsors to S. 652, the Depository Institution Disaster Relief Act.

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

Mr. GRAMS. Thank you.

Mr. President, we need to assure the people of Minnesota, North Dakota, and South Dakota that the Senate stands behind them, and the entire Congress and the President should stand behind them as well.

I urge swift action on my amendment to the emergency supplemental appropriations, which I hope will have the overwhelming, bipartisan support of my colleagues when it comes to the floor.

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

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. GRAMS. Thank you, Mr. President.

I yield the floor.

Mr. JOHNSON addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I rise in strong support of the Depository Institution Disaster Relief Act of 1997 as a noncontroversial and bipartisan amendment to the supplemental appropriations bill being considered on the floor of the Senate today.

I want to particularly extend thanks to Senator STEVENS and Senator BYRD for their assistance on this amendment and support of this amendment, as well as their very timely action on the underlying supplemental appropriations legislation. And thanks to Senator D'AMATO and Senator SARBANES of the Banking Committee for their support as well, and, of course, to Senator GRAMS, my colleague from Minnesota, who has done extraordinary work on this legislation. I am proud to join him as a cosponsor of S. 652.

We have had an incredible series of catastrophic events in the Northern Plains, in Minnesota, North Dakota, and South Dakota. It is absolutely essential that this body move expeditiously to provide as much assistance as possible to get individuals, families, businesses, and local governments back on their feet.

This amendment would give the banking regulators the authority to cut through red tape to expedite the handling of loans and deposits for banks, credit unions, and savings and loans in order to move along the rebuilding of our part of the country as quickly as possible.

This legislation has the support of both FDIC and the Federal Reserve. In our three States we have suffered vitally over these last several months. Hundreds of thousands of livestock have been lost, roads are under water, schools closed, hospitals closed. Family businesses are in tremendous stress right now. It is absolutely essential that we provide every element of assistance we possibly can.

I share Senator GRAMS' belief that this legislation will be one more piece of the puzzle necessary to reach that goal. The predecessor of this legislation was a similar amendment enacted in 1992 and 1993. So this is a step that has been taken in the past when our Nation has been undergoing stressful disaster circumstances.

It is very, very appropriate during this year that we reintroduce this amendment to provide this kind of temporary but very important relief. Again, this amendment is bipartisan. It should be noncontroversial.

I again commend Senator GRAMS for his leadership in bringing this amendment to the floor.

I yield back.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, it is our understanding that this amendment that Senator GRAMS has presented to us continues the precedent that was established by his legislation when he was a Member of the other body in 1993.

We have examined the proposed amendment and have been informed that the Banking Committee of the Senate is in agreement with it. Under the circumstances, I know of no opposition to the amendment on this side of the aisle, and we are prepared to accept it. I do note the Senator has asked for the yeas and nays, but perhaps we can dispose of it today if it is possible.

Mr. BYRD. Mr. President, I know of no objections on this side of the aisle. But I do await a response to my call to a Senator so that I can ascertain whether or not this is indeed the case. Until that time, I shall have to withhold my approval.

Mr. STEVENS. Very well.

Mr. President, I ask unanimous consent that the amendment be temporarily set aside so that the bill will be open for other amendments.

We will await the clearance that Senator BYRD has mentioned. I announce that it will be the policy of the committee to have these votes take place, on any amendments presented today, at a time to be designated by the majority leader, after consultation with the minority leader, tomorrow.

The PRESIDING OFFICER (Mr. KYL). The Senator asks unanimous consent to lay aside this amendment?

Mr. STEVENS. Mr. President, I ask unanimous consent to lay aside the Grams amendment for the time being.

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

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

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

Mr. GRAMS. Mr. President, I just want to rise today and talk a little bit about the supplemental bill and the needs that are awaiting in Minnesota, North Dakota, and South Dakota as well. As a Senator whose state has been devastated by the flooding of the Red and Minnesota Rivers, I rise in strong support of the emergency supplemental that is before us. I have personally assessed the destruction on several occasions over the past few weeks. If I had not seen the damage myself, it would have been difficult to comprehend the severe impact the snows and floods have had on my State of Minnesota.

My colleagues know of Minnesota's reputation for snow and cold. We are a hardy people and we pride ourselves on our ability to endure even the worst winters. But when we receive 3 years' worth of snow in a single season —that is more than 10 to 12 feet—even Minnesotans can reach their limit. To make matters worse, we have had to endure several straight years of above-average rainfall. With the arrival of spring this year, there was no place for the snow to go, other than into rivers unable to bear the melt-off.

Many Americans watched the television coverage of Grand Forks, ND, and sympathized with the displaced residents of that community when the flood waters swept into town. They saw the burning buildings which have destroyed nearly a city block, all in a sea of water. But just across the Red River, on the Minnesota side, is East Grand Forks, a town of nearly 10,000 people. Their mayor, Lynn Stauss, whom I have talked to several times over the last few weeks, has had to deal with a town that has no water, has no electricity, and has no sewer system.

When I was last in East Grand Forks, most of its homes and businesses were under water. Now that the waters are receding, assessment of the damage is continuing and, of course, the expenses are mounting. Willem Schrage, a Minnesota Department of Agriculture employee, returned to his home and found his basement backed up with 2 feet of sewage. Actually, he said he is one of the lucky ones, and says, ''Things could be worse. At least I still have my home.''

As you know, about 3 weeks ago, just as the spring thaw began to swell the rivers, Minnesota and the Dakotas were hit with another blizzard that dumped a couple of additional feet of snow. This contributed greatly to the severe flooding already predicted.

At the time of year when farmers should be out in the fields, planting, they were out helping their neighbors sandbag to try to minimize the damage. Randy Tufton is an example of that. He is the director of the Farm Service Agency in Ada, MN, and wanted to spend his time helping farmers get the advice and financial assistance they need to cope with the floods. But instead, Randy found himself sandbagging his own home for several days. He had to travel by motorboat just to get to his house.

Jerry Larson, a seed potato grower in the town of Climax, is another such example. Instead of planting this year, he is helping another farmer to try to save his home. Many of our farmers will be losing their homes and farm buildings to the floods. While some of them will be able to start planting after the water recedes, many are still unable to do so and may lose their income for this year. We had almost 2 million acres of farmland in our region under water. In the Red River Valley, one of the most fertile areas of the country, this is a crippling blow to our agricultural economy.

Now we are coming to that time of year when high school students should be thinking about their proms and their graduation festivities. Instead, Don Vellenga, who is the superintendent of Ada Borup Public Schools in Ada is now meeting with FEMA officials to discuss replacing the high school, 67 percent of which has been damaged. There will be no prom this year at the high school and there will be no graduation ceremony either. Don Vellenga, by the way, after meeting with FEMA officials about the school during the day, goes home to a house that has 4 feet of standing water in the basement.

In Breckenridge, at Breckenridge Elementary, Jeri Yaggie, president of the school board, is meeting with FEMA officials and wondering if the school will be replaced, as parents ask where their first graders will begin school this fall.

Hospital administrators normally spend their time providing for the care of their patients. Laura Nelson, who is program director of Bridge Medical Services in Ada, is now looking for ways to get the additional money needed to replace the hospital there.

In Moorhead, I was impressed by the dedication of our young people as they worked alongside their parents and their neighbors in filling sandbags against the rising waters. In East Grand Forks, there was an army of volunteers to feed the hungry, who found shelter for the homeless, and comforted thousands more as the Red River was swallowing an entire community. Their determination repeatedly reminded me of the spirit that brought us together as communities and will keep us together as communities.

It was a week ago today, that I spoke about the flooding crisis before a joint session of our Minnesota State Legislature. I was proud to be accompanied by seven Minnesotans who know all too well the struggle it has taken to fight the floods. They were representatives of the towns that have suffered some of the worst damage, and they deserve our appreciation for guiding their communities through this nightmare. I want to take a moment to mention them by name. They were: Mayor Russell Onstad of Ada, Mayor Kal Michels of Breckenridge, Mayor Donald Osborne of Crookston, Mayor Lynn Stauss of East Grand Forks, Mayor David Smiglewski of Granite Falls, Mayor Jim Curtiss of Montevideo, and also City Council President Millie McLeod of Moorhead, who was there for Mayor Lanning at the meeting. They have served their neighbors well during these trying times.

FEMA has done an outstanding job in Minnesota, and I would like to personally thank the staff, from the Director Mr. Witt, all the way down, for their yeoman-like efforts to be on the scenes and to help provide assistance to Minnesotans and those in North and South Dakota.

When I inspected the flood damage with President Clinton, I was assured that the Government would help the people of Minnesota recover from its devastation. A week ago, the majority leader and our floor leader here today, the distinguished chairman of the Appropriations Committee, made similar pledges during meetings with Minnesota Governor Arne Carlson and me.

I would like to thank Senator STEVENS for reporting out the emergency supplemental so rapidly. We all know how difficult it is to determine the exact extent of damage until the cleanup and the rebuilding is underway, but I believe the committee did an outstanding job to address the needs of the 23 States that have suffered disasters over the past few months. The total $5.581 billion for disaster relief is desperately needed.

The $100 million for CDBG, the EDA money, and the assistance provided by USDA, including the livestock indemnity program in the supplemental, are crucial for Minnesota, where losses could add up to more than $1 billion once we have been able to accurately assess our damages.

Governor Carlson expressed his support for the President's requests of $2.3 billion for FEMA and $100 million for CDBG in the supplemental when he was here in Washington as well last week. At the same time, he recognized that once we obtain an accurate accounting, additional relief could be pursued through the 1998 appropriations process, and/or a future supplemental request that would be made by the President.

I am also pleased that the committee included language I supported that would provide more flexibility in the granting of CDBG funds. That language was useful to the State of Minnesota, as you know, after the 1993 Mississippi River flooding and was requested by the State for this year's flood as well. Some have raised concerns that it is too early to fully estimate the extent of the damage and therefore we may find ourselves with inadequate funding in this bill. To address those concerns, I am working with my colleagues from North Dakota, South Dakota, and Minnesota on an amendment that would add additional funding for CDBG and EDA that represents a better estimate of what we believe the damages will be in our three States. The amendment would also include funding for meeting the education needs of displaced students in our States plus several other smaller items that are not covered yet in the bill.

The amendment would be a compromise among the three States and hopefully the appropriators, who believe they have addressed our needs for the remainder of this fiscal year and prefer to consider longer-term rebuilding requests through the regular appropriations process. It would be offset with current budget authority.

Mr. President, earlier I discussed some of the devastation faced by Minnesota farmers, many of whom are still not sure when they can begin planting for this year. I strongly support the efforts by Secretary Glickman to help farmers through authorization of CRP grazing, increasing the Emergency Loan Assistance Program, deferring payments for FSA borrowers, and inclusion of more farm losses under FEMA itself.

Since it is uncertain whether existing agriculture or FEMA programs will address the needs of all Minnesota farmers, I have also asked Secretary Glickman to consider extending the delayed planting deadline for crop insurance, as well. I have requested clarifications on how, or whether, the disaster relief would cover soil erosion and other run-off problems.

I have asked the Secretary to consider using existing authority under CCC to address the grain storage losses of Minnesota farmers, as well as other property losses suffered by farmers who may not currently qualify for the Emergency Loan Assistance Program.

Mr. President, I want to note again that earlier this afternoon I offered my amendment, the Depository Institution

Disaster Relief Act of 1997, or more commonly referred to as DIDRA, which would facilitate and increase the availability of credit in the disaster areas of all 23 States.

It is noncontroversial, costs nothing, and is supported by the Banking Committee chairman and ranking member, and my colleague from South Dakota, Senator JOHNSON. I urge support from all of my colleagues.

Mr. President, the funds provided by the emergency supplemental will facilitate the cleanup effort, which has just begun. We know it will take many months and possibly several years. The worst part of a disaster like this is the aftermath, when the extent of the damage finally sinks in to all who have suffered losses. It is a time when we need to reach out to those within the disaster area and let them know they have our full support.

It is gestures like that of the California woman who contributed $2,000 apiece to thousands of suffering flood victims as one we will remember for some time. She is one of many heroes of the floods whose efforts will never be fully recognized.

To ensure that I am thoroughly appraised of every step in the cleanup, I have opened an office in Crookston with FEMA to have staff on location to provide whatever assistance we can to facilitate available relief. I want to assure my constituents that I will not allow them to be forgotten now that the flood waters have receded.

Mr. President, I again want to thank the Senate for its efforts to facilitate this needed relief legislation.

Mr. BYRD. Mr. President, I am advised that Senator MIKULSKI says that if Mr. SARBANES has cleared the Grams-Johnson amendment, she has no objection to it as the ranking member of the VA/HUD subcommittee. Therefore, I know of no objection on this side of the bill. I am ready and willing to accept the amendment.

Mr. STEVENS. Mr. President, the yeas and nays have been ordered, and it is my understanding that the Senator would prefer a vote, and the leadership does prefer we have a vote to start the day off at a specific time tomorrow. Therefore, I ask this amendment now be set aside, to come before the Senate for a rollcall vote at a time specified by the leadership, the majority leader after consultation with the minority leader later today.

The PRESIDING OFFICER. Without objection, the request of the Senator from Alaska is ordered.

The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent I be allowed to proceed as in morning business for the purpose of introducing a bill.

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

Mr. REID. Mr. President, I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of S. 692 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

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

AMENDMENT NO. 55

(Purpose: To make a technical correction which adjusts the rescission for the Theater High Altitude Area Defense program to the correct fiscal year of appropriations for Research, Development, Test and Evaluation, Defense-Wide)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 55.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 65, line 5, strike the amount ''$41,090,000'' and insert the amount ''$81,090,000''; and

On page 65, line 7, strike the amount ''135,000,000'' and insert the amount ''$95,000,000''.

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

The amendment (No. 55) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, we have a list of amendments that we believe are going to be presented to the Senate, about 20 amendments. It was our hope that we will get some of these presented this afternoon and debated at our leisure and voted on tomorrow. I hoped that we might have votes today, but that is not possible.

I urge Members to let us know if they intend to bring any amendments to the floor this afternoon. There are a series that have been suggested that, I believe, could be worked out and would be acceptable to the managers of the bill on both sides. We hope that we can find some business to accomplish this afternoon on this bill. It is a very important bill, one that should not be delayed if it is possible to move forward.

I urge Members to contact us if they intend to offer amendments today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 56

(Purpose: To authorize the Secretary of Defense to enter into a lease of property for the Defense Finance and Accounting Service at Lexington Blue Grass Station, Lexington, Kentucky)

Mr. STEVENS. Mr. President, I send to the desk an amendment proposed to be offered by Senators FORD and MCCONNELL and ask that it receive immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. FORD and Mr. MCCONNELL, proposes an amendment numbered 56.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . AUTHORITY OF SECRETARY OF DEFENSE TO ENTER INTO LEASE OF BUILDING NO. 1, LEXINGTON BLUE GRASS STATION, LEXINGTON, KENTUCKY.

(a) AUTHORITY TO ENTER INTO LEASE.—Notwithstanding any other provision of law, the Secretary of Defense may enter into an agreement for the lease of Building No. 1, Lexington Blue Grass Station, Lexington, Kentucky, and any real property associated with the building, for purposes of the use of the building by the Defense Finance and Accounting Service. The agreement shall meet the requirements of this section.

(b) TERM.—(1) The agreement under this section shall provide for a lease term of not to exceed 50 years, but may provide for one or more options to renew or extend the term of the lease.

(2) The agreement shall include a provision specifying that, if the Secretary ceases to require the leased building for purposes of the use of the building by the Defense Finance and Accounting Service before the expiration of the term of the lease (including any extension or renewal of the term under an option provided for in paragraph (1)), the remainder of the lease term may, upon the approval of the entity leasing the building, be satisfied by the Secretary or another department or agency of the Federal Government (including a military department) for another purpose similar to such purpose.

(c) CONSIDERATION.—(1) The agreement under this section may not require rental payments by the United States under the lease under the agreement.

(2) The Secretary or other leasee, if any, under subsection (b)(2) shall be responsible under the agreement for payment of any utilities associated with the lessee of the building covered by the agreement and for maintenance and repair of the building.

(d) IMPROVEMENT.—The agreement under this section may provide for the improvement of the building covered by the agreement by the Secretary or other lessee, if any, under subsection (b)(2).

Mr. STEVENS. Mr. President, this is an amendment pertaining to a building in Kentucky to be leased by the Department of Defense. It has been approved by the Subcommittee on Defense appropriations, Senator INOUYE and myself, and Senator BYRD has cleared this for the minority. I ask that it be accepted.

The PRESIDING OFFICER. The question is agreeing to the amendment.

The amendment (No. 56) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. BYRD. Mr. President, I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, it is apparent that no one is prepared to offer an amendment today. There are several complex amendments coming, and I am sad we cannot get some of them discussed today. But in a few minutes I shall present a closing statement on behalf of the majority leader. Meanwhile, I will announce there will be no further action on this bill today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BENNETT. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for not more than 10 minutes.

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

The Senator from Utah.

THE BUDGET AGREEMENT

Mr. BENNETT. Mr. President, I have several matters to discuss with the Senate this afternoon. The first one I would like to touch upon has to do with the budget agreement that was reached over the weekend between negotiators on behalf of the Congress and the President of the United States.

There has been a lot of conversation over the weekend on the talk shows about how terrible this agreement is. I have read where Democrats have attacked the agreement on the grounds that President Clinton has caved in to Republican demands. One Democratic commentator, a former staffer to the President, has said this deal guarantees the reelection of a Republican-controlled Congress in 1998. It is just awful.

Then another commentator says this deal demonstrates how badly the Republicans have caved in to the President. It means the President can no longer be attacked for his failure to step up to the responsibility of dealing with taxes in a logical way or of dealing with Medicare in a responsible way. It is just awful.

There are some who say, when both sides say it is just awful, that means it is truly awful. And then there are others who say, no, when both sides agree it is not what they want, it means we have finally arrived at the logical answer, somewhere down the middle.

I think all of this is a little bit shortsighted. I want to stand and commend those who were involved in the negotiations for having accomplished something truly worthwhile. Does it do what I would like it to do in relation to the Tax Code? The answer is, ''Clearly not.'' We need to do far more about our taxes than this deal will do. Does it solve the Medicare problem in a responsible, long-term way? The answer is, ''Clearly not.'' It simply postpones the issue until we will have to deal with Medicare again. This, too, I find disappointing. In both instances we will see the details come up in the Finance Committee, and I hope the Finance Committee, within the parameters of the deal, can fashion resolutions to these problems that are better than the ones that we have seen talked about in the press up until now.

But as we complain, one side and the other, about the deal not being what we would like, we overlook what I think is a truly significant accomplishment. For the first time in my watching of this process, either as a Member of the Senate or as an observer from the outside, we have a budget deal that does not depend upon smoke and mirrors for its budget figures to be reliable. We have a budget deal that does not say we will postpone all of the hard decisions to the fourth and fifth or sixth years. Instead, it says we will start to face the realities of what is happening around us right now. That is a very significant thing.

The second thing I would like to comment on with respect to this deal was given reference to in this morning's Wall Street Journal in their editorial. They said the real hero of these budget negotiations is neither the administration nor the Congress, but the American economy. The reason we were able to finally arrive at a conclusion that seemed to satisfy temporarily both sides is because the economy is doing so well that the projections indicate that we will have more tax revenue than the earlier projections would have shown. I want to dwell on that for a moment. I gave a major speech on the floor a week or so ago in which I tried to get across the importance of the overall growth of the economy in our budget discussions. We talk about the budget as if everything is a sum zero game, that is, if we take it away from here, you must give it someplace else, and everything adds up to a single sum.

That is not the case. The economy is like a business, constantly growing, constantly changing. I made the point in that previous speech that a sound business executive running a $1.7 trillion corporation would not have the simple choice of either raising prices or cutting spending. We hear the discussion on the floor so often that those are our only two choices in Government. We can either raise tax rates, which is the same thing as raising prices for a business, or we can cut spending, when, in fact, every business executive knows there are times when you can raise your prices and get away with it, and there are times when you should cut your prices in order to increase your market share. There are times when you do need to cut spending if it is wasteful or improper, but there are other times, when you are investing in the future, where you need to increase spending. This budget, for the first time in many years, seems to go down those roads.

There are some areas where we are cutting tax rates, as we should—cutting prices, if you will—to increase our market share and make the economy healthier. There are other places where we do need to cut some spending, and some places where we need to increase some spending. That is what upsets so many of my colleagues on the right side of the aisle. They treat all Government spending as if it is, per se, evil, and any single dollar they can cut out of the budget they assume is good.

They remind me a little of an executive I knew in a company who was under heavy pressure to start to produce profits in his division. He responded to that pressure, and pretty soon the profits started to come in. His boss thought he was a hero. He said, ''Well, I did it by cutting spending.''

It was a year or so later that we discovered in that company what kind of spending he had cut. He had cut routine maintenance, and the physical plant over which he had responsibility was literally falling apart because the routine maintenance had not been done. He was a temporary hero by cutting spending, but, long term, he damaged the business and did damage to the interests of the shareholders.

Our Nation's infrastructure has some significant problems. The air transport problems are very obvious to all. The highway problems are fairly significant and obvious. We need to be doing something about that. This budget allows us to have some of that, yes, increased spending in areas where it makes some sense. Why? Again, because the economy is doing so well.

I have been on this floor when some of my friends have berated Alan Greenspan and said what a terrible job he is doing at the Fed because he has controlled the money supply in a way that they do not like. Can we now suggest it may well be that the current growth of the economy stems from wise stewardship at the Fed, and that, indeed, the reason we can afford some of these increased spending activities called for in this budget come from an intelligent management of the economy long term. Can we also suggest that this has come from an attitude at the Federal Reserve Board that says we must put price stability above all else and it will pay long-term dividends? Maybe it is those dividends we are beginning to cash in on in this budget deal.

There is another thought I would like to leave with you, Mr. President, in terms of the economy and how well it is doing. I have spoken on this floor before about my experience as a business executive during what many people