

States submitting sundry nominations which were referred to the appropriate committees.

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

#### REPORT ON THE CFE FLANK DOCUMENT—MESSAGE FROM THE PRESIDENT—PM 35

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

##### *To the Congress of the United States:*

In accordance with the resolution of advice and consent to ratification on the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe of November 19, 1990 ("the CFE Flank Document"), adopted by the Senate of the United States on May 14, 1997, I hereby certify that:

In connection with Condition (2), Violations of State Sovereignty, the United States and the governments of Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey and the United Kingdom have issued a joint statement affirming that (i) the CFE Flank Document does not give any State Party the right to station (under Article IV, paragraph 5 of the Treaty) or temporarily deploy (under Article V, paragraphs 1 (B) and (C) of the Treaty) conventional arms and equipment limited by the Treaty on the territory of other States Parties to the Treaty without the freely expressed consent of the receiving State Party; (ii) the CFE Flank Document does not alter or abridge the right of any State Party under the Treaty to utilize fully its declared maximum levels for conventional armaments and equipment limited by the Treaty notified pursuant to Article VII of the Treaty; and (iii) the CFE Flank Document does not alter in any way the requirement for the freely expressed consent of all States Parties concerned in the exercise of any reallocations envisioned under Article IV, paragraph 3 of the CFE Flank Document.

In connection with Condition (6), Application and Effectiveness of Senate Advice and Consent, in the course of diplomatic negotiations to secure accession to, or ratification of, the CFE Flank Document by any other State Party, the United States will vigorously reject any effort by a State Party to (i) modify, amend, or alter a United States right or obligation under the Treaty or the CFE Flank Document, unless such modification, amendment, or alteration is solely an extension of the period of provisional application of the CFE Flank Document or a change of a minor administrative or technical nature; (ii) secure

the adoption of a new United States obligation under, or in relation to, the CFE Treaty or the CFE Flank Document, unless such obligation is solely of a minor administrative or technical nature; or (iii) secure the provision of assurances, or endorsement of a course of action or a diplomatic position, inconsistent with the principles and policies established under conditions (1), (2), and (3) of the resolution of advice and consent to ratification of the CFE Flank Document.

In connection with Condition (7), Modifications of the CFE Flank Zone, any subsequent agreement to modify, revise, amend or alter the boundaries of the CFE flank zone, as delineated by the map entitled "Revised CFE Flank Zone" submitted to the Senate on April 7, 1997, shall require the submission of such agreement to the Senate for its advice and consent to ratification, if such changes are not solely of a minor administrative or technical nature.

In connection with Condition (9), Senate Prerogatives on Multilateralization of the ABM Treaty, I will submit to the Senate for advice and consent to ratification any international agreement (i) that would add one or more countries as States Parties to the ABM Treaty, or otherwise convert the ABM Treaty from a bilateral treaty to a multilateral treaty; or (ii) that would change the geographic scope or coverage of the ABM Treaty, or otherwise modify the meaning of the term "national territory" as used in Article VI and Article IX of the ABM Treaty.

In connection with Condition (11), Temporary Deployments, the United States has informed all other States Parties to the Treaty that the United States (A) will continue to interpret the term "temporary deployment", as used in the Treaty, to mean a deployment of severely limited duration measured in days or weeks or, at most, several months, but not years; (B) will pursue measures designed to ensure that any State Party seeking to utilize the temporary deployments provision of the Treaty will be required to furnish the Joint Consultative Group established by the Treaty with a statement of the purpose and intended duration of the deployment, together with a description of the object of verification and the location of origin and destination of the relevant conventional armaments and equipment limited by the Treaty; and (C) will vigorously reject any effort by a State Party to use the right of temporary deployment under the Treaty (i) to justify military deployments on a permanent basis; or (ii) to justify military deployments without the full and complete agreement of the State Party upon whose territory the armed forces or military equipment of another State Party are to be deployed.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 14, 1997.

#### REPORT ON THE CFE FLANK DOCUMENT—MESSAGE FROM THE PRESIDENT—PM 36

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

##### *To the Senate of the United States:*

I am gratified that the Senate has given its advice and consent to the ratification to the CFE Flank Document and I look forward to the entry into force of this important agreement. It will reaffirm the integrity of one of the CFE Treaty's core provisions and will facilitate progress on CFE adaptation and, thus, NATO enlargement, key elements for advancing United States and European security.

I must, however, make clear my view of several of the Conditions attached to the resolution of advice and consent to ratification, including Conditions 2, 3, 4, 6, 7, 9 and 11. These Conditions all purport to direct the exercise of authorities entrusted exclusively to the President under our Constitution, including for the conduct of diplomacy and the implementation of treaties. The explicit limitation on diplomatic activities in Condition 3 is a particularly clear example of this point. As I wrote the Senate following approval of the Chemical Weapons Convention, a condition in a resolution of ratification cannot alter the allocation of authority and responsibility under the Constitution. I will, therefore, interpret the Conditions of concern in the resolution in a manner consistent with the responsibilities entrusted to me as President under the Constitution. Nevertheless, without prejudice to my Constitutional authorities, I will implement the Conditions in the resolution.

Condition (9), which requires my certification that any agreement governing ABM Treaty succession will be submitted to the Senate for advice and consent, is an issue of particular concern not only because it addresses a matter reserved to the President under our Constitution, but also because it is substantively unrelated to the Senate's review of the CFE Flank Document. It is clearly within the President's authorities to determine the successor States to a treaty when the original Party dissolves, to make the adjustments required to accomplish such succession, and to enter into agreements for this purpose. Indeed, throughout our history the executive branch has made a large number of determinations concerning the succession of new States to the treaty rights and obligations of their predecessors. The ABM Succession MOU negotiated by the United States effectuated no substantive change in the ABM Treaty requiring Senate advice and consent. Nonetheless, in light of the exceptional history of the ABM Treaty and in view of my commitment to agree to seek Senate approval of the Demarcation

Agreements associated with the ABM Treaty, I have, without prejudice to the legal principles involved, certified, consistent with Condition (9), that I will submit any agreement concluded on ABM Treaty succession to the Senate for advice and consent.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 14, 1997.

#### REPORT ON THE NATIONAL SECURITY STRATEGY OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT—PM 37

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Armed Services.

*To the Congress of the United States:*

As required by section 603 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986, I am transmitting a report on the National Security Strategy of the United States.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 15, 1997.

#### MESSAGES FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2. An act to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes.

#### MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2. An Act to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1871. A communication from the Secretary of the Senate, transmitting, pursuant to law, a statement of receipts and expenditures of the Senate, showing in detail the expense under proper appropriations, the aggregate thereof, and exhibiting the exact condition of all public moneys received, paid out, and remaining in his possession from October 1, 1996 through March 31, 1997; which was ordered to lie on the table.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 430. A bill to amend the Act of June 20, 1910, to protect the permanent trust funds of the State of New Mexico from erosion due to inflation and modify the basis on which distributions are made from those funds (Rept. No. 105-18).

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS (for himself, Ms. LANDRIEU, Mr. CLELAND, Mr. KERRY, and Mr. DASCHLE):

S. 745. A bill to amend the Internal Revenue Code of 1986 to modify the partial exclusion from gross income of gain on certain small business stock, to provide a rollover of capital gains on certain small business investments, and for other purposes; to the Committee on Finance.

By Mr. LEVIN:

S. 746. A bill to reaffirm and clarify the Federal relationship of the Burt Lake Band as a distinct federally recognized Indian tribe, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. CHAFEE, Mr. GRAHAM, Mr. HATCH, Ms. MOSELEY-BRAUN, Mr. GRASSLEY, Mr. BAUCUS, Mr. GRAMM, Mr. CONRAD, Mr. NICKLES, Mr. BREAUX, Mr. JEFFORDS, Mr. BRYAN, Mr. ROCKEFELLER, Mr. KERREY, Mr. MURKOWSKI, Mr. D'AMATO, and Mr. LOTT):

S. 747. A bill to amend trade laws and related provisions to clarify the designation of normal trade relations; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mrs. HUTCHISON, Ms. MIKULSKI, Mr. BUMPERS, Ms. COLLINS, and Mr. ROBB):

S. 748. A bill to provide for college affordability and high standards; to the Committee on Labor and Human Resources.

By Mr. DORGAN (for himself and Mr. CONRAD):

S. 749. A bill to provide for more effective management of the National Grasslands, and for other purposes; to the Committee on Energy and Natural Resources.

S. 750. A bill to consolidate certain mineral interests in the National Grasslands in Billings County, North Dakota, through the exchange of Federal and private mineral interests to enhance land management capabilities and environmental and wildlife protection, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SHELBY (for himself, Mr. MURKOWSKI, Mr. CRAIG, and Mr. BURNS):

S. 751. A bill to protect and enhance sportsmen's opportunities and conservation of wildlife, and for other purposes; to the Committee on Environment and Public Works.

By Mr. THURMOND (for himself, Mr. COATS, Mr. HOLLINGS, Mr. HELMS, Mr. FAIRCLOTH, and Mr. HUTCHINSON):

S. 752. A bill to amend title 23, United States Code, to modify the minimum allocation formula under the Federal-aid highway program, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MACK (for himself, Mr. LIEBERMAN, and Mr. BROWNBACK):

S. 753. A bill to amend the Internal Revenue Code of 1986 to provide for individuals who are residents of the District of Columbia a maximum rate of tax of 15 percent on income from sources within the District of Columbia, and for other purposes; to the Committee on Finance.

By Mr. CAMPBELL (for himself, Mr. INOUE, and Mr. DOMENICI):

S. 754. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide for direct assistance to Indian tribes for juvenile justice and delinquency prevention programs, and for other purposes; to the Committee on Indian Affairs.

By Mr. CAMPBELL (for himself and Mr. FORD):

S. 755. A bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title (relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for Fiscal Year 1997 and to make other improvements to that chapter; to the Committee on Armed Services.

By Mr. KERRY (for himself, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. KENNEDY, Mr. HOLLINGS, Mr. WELLSTONE, Ms. MOSELEY-BRAUN, and Mr. HARKIN):

S. 756. A bill to provide for the health, education, and welfare of children 6 years of age; to the Committee on Labor and Human Resources.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. ABRAHAM (for himself and Mr. LEAHY):

S. Res. 86. A resolution expressing the sense of the Senate with respect to telephone access charges for use of the Internet and the growth of advanced interactive communications networks like the Internet; to the Committee on Commerce, Science, and Transportation.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS (for himself, Ms. LANDRIEU, Mr. CLELAND, Mr. KERRY, and Mr. DASCHLE):

S. 745. A bill to amend the Internal Revenue Code of 1986 to modify the partial exclusion from gross income of gain on certain small business stock, to provide a rollover of capital gains on certain small business investments, and for other purposes; to the Committee on Finance.

THE SMALL BUSINESS CAPITAL GAINS ENHANCEMENT ACT OF 1997

Mr. BUMPERS. Mr. President, I rise today to introduce the Small Business Capital Gains Enhancement Act of 1997, which will make several important improvements to section 1202 of the Internal Revenue Code, a measure I authored in 1993 to provide an incentive for investment in entrepreneurial efforts. Section 1202 provides a 50 percent exclusion for capital gains from qualified small business stock held at least 5 years.

The purpose of section 1202 is clear. Because small businesses are inherently riskier than large businesses,