Public confidence in our legal system, and in our Government itself, demands nothing short of this.

Mr. Holder has given me his commitment to maintaining his own independent judgment, and to seeing to it that the law is fairly and impartially interpreted and enforced as it should be, even when doing so may lead to results that are not politically expedient. That commitment will be as important as ever for the Department as it faces numerous challenges in the coming years. I believe Mr. Holder will remain true to his word, and urge my colleagues to support him.

Mr. LEAHY. Mr. President, I commend the President on his nomination of Eric H. Holder, Jr., and am delighted that the Senate is acting to confirm this nominee to be Deputy Attorney General of the United States.

It was with concerted effort that Senator HATCH and I worked to ensure that Eric Holder was reported by the Judiciary Committee and ready for Senate confirmation to the important position of Deputy Attorney General of the United States before the Senate adjourned 3 weeks ago.

The President's nomination of Mr. Holder to the second highest position at the Department of Justice was reported to the Senate without a single dissent on June 24. This nomination could and should have been approved by the Senate before it adjourned for the last extended recess for the Fourth of July. This nomination is strongly supported by Senator HATCH, chairman of the Judiciary Committee.

There was and is no Democratic hold on this nomination. The delay on the Republican side in considering this nomination remains unexplained. I urged on July 10 and July 11 that he not be held hostage to other nominations. I am glad we have finally—finally after 3 weeks—freed this nomination.

Eric Holder has proven his dedication to effective law enforcement. As a former prosecutor myself, I appreciate Mr. Holder's distinguished career in law enforcement.

Shortly after his graduation from Columbia Law School, Mr. Holder joined the Department of Justice as part of the Attorney General's Honors Program. He was assigned to the newly formed public integrity section in 1976, where he worked for 12 years investigating and prosecuting corruption. While at the public integrity section, Mr. Holder participated in a number of prosecutions and appeals involving such defendants as the State Treasurer of Florida, a former Ambassador to the Dominican Republic, a local judge in Philadelphia, an assistant U.S. attorney in New York City, an FBI agent, and a ''capo'' in an organized crime family. He received a number of awards for outstanding performance and special achievement from the Department of Justice.

In 1988, President Reagan nominated and the Senate confirmed Mr. Holder to be an associate judge of the Superior Court of the District of Columbia, where he served for the next 5 years. In his 5 years on the bench, Judge Holder presided over hundreds of criminal trials. In 1993, President Clinton nominated and the Senate confirmed Eric Holder to the important post of U.S. Attorney for the District of Columbia. As United States Attorney for one of the largest U.S. Attorney's offices in the Nation, Mr. Holder has supervised 300 lawyers involved in criminal, civil, and appellate cases. He has functioned as both the local district attorney and the Federal prosecutor. He has been active in community affairs. For more than a decade, he has been a member of Concerned Black Men, an organization seeking to help young people in the District of Columbia. He is involved in a number of the group's activities, including the efficacy program and the pregnancy prevention effort. He has participated in the D.C. Street Law program and is active in the See Forever Foundation and the National Foundation for Teaching Entrepreneurship. He is cochair of Project PACT to reduce youth violence and has been instrumental in the U.S. Attorney's Office's outreach efforts to the D.C. community.

In 1994 he received the Pioneer Award from the National Black Prosecutors Association. In 1995 his contributions were recognized when he received awards from the District of Columbia Bar Association, the Greater Washington Urban League, the American Jewish Congress, and Phi Beta Sigma fraternity. Last year he received awards from the D.C. Chapter of the National Organization of Black Law Enforcement Executives, George Washington University, Columbia College, the Federation of Citizens Associations of D.C., Omega Psi Phi fraternity, the Brotherhood of Shiloh Men, McDonalds and the Asian Pacific Bar Association.

I look forward to working with him in his new position as Deputy Attorney General. I regret the unnecessary delays that have stalled this important nomination for the last 3 weeks on the Senate Executive Calendar.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Eric H. Holder, Jr., of the District of Columbia, to be Deputy Attorney General? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced— yeas 100, nays 0, as follows:

[Rollcall Vote No. 188 Ex.]

YEAS—100

Abraham	Byrd	Dorgan
Akaka	Campbell	Durbin
Allard	Chafee	Enzi
Ashcroft	Cleland	Faircloth
Baucus	Coats	Feingold
Bennett	Cochran	Feinstein
Biden	Collins	Ford
Bingaman	Conrad	Frist
Bond	Coverdell	Glenn
Boxer	Craig	Gorton
Breaux	D'Amato	Graham
Brownback	Daschle	Gramm
Bryan	DeWine	Grams
Bumpers	Dodd	Grassley
Burns	Domenici	Gregg
Hagel	Leahy	Roth
Harkin	Levin	Santorum
Hatch	Lieberman	Sarbanes
Helms	Lott	Sessions
Hollings	Lugar	Shelby
Hutchinson	Mack	Smith (NH)
Hutchison	McCain	Smith (OR)
Inhofe	McConnell	Snowe
Inouye	Mikulski	Specter
Jeffords	Moseley-Braun	Stevens
Johnson	Moynihan	Thomas
Kempthorne	Murkowski	Thompson
Kennedy	Murray	Thurmond
Kerrey	Nickles	Torricelli
Kerry	Reed	Warner
Kohl	Reid	Wellstone
Kyl	Robb	Wyden
Landrieu	Roberts	
Lautenberg	Rockefeller	

The nomination was confirmed.

The PRESIDING OFFICER. The motion to reconsider the nomination is laid on the table. The President will be immediately notified of the Senate's confirmation.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1998

The Senate continued the consideration of the bill.

Mr. LOTT. Mr. President, I want to commend the chairman of the Treasury, Postal Service Subcommittee, the distinguished Senator from Colorado, for the good work he has done today on this legislation and the cooperation he has received from the ranking member, Senator KOHL. I want to thank the Senate for the work that has been done this week.

We have completed four appropriations bills and we are down to an identifiable, finite list of amendments on the Treasury, Postal Service bill. It has taken cooperation from all the Senators and a lot of support from the leader on the Democratic side of the aisle. I think we should commend each other when we do good work like this. I appreciate the support we have had.

In recognition of that, I think rather than trying to drive on to conclusion tonight and perhaps having votes later on tonight, we will go forward tonight with debate on all remaining amendments, and then we will ask unanimous consent to stack the votes beginning at 5:15 on Monday.

Also, on Monday, we will begin the HUD–VA appropriations bill. For those that are interested, on two other subjects, at the request of a number of Senators on both sides, so that we can try to continue to see if we can work out an agreement, we have moved the tuna-dolphin issue off until next week. We hope an agreement can be worked out, or a compromise. If it cannot be, we will probably have a cloture vote on that on Friday of next week.

With regard to FDA reform, we have a very good bill that was reported from the education-labor committee. Senator JEFFORDS has been working with

other interested Senators on both sides of the aisle and on both sides of the issue. We are hoping that a time agreement can be worked out on that. If we get a time agreement, we will try to take that bill up, perhaps, Tuesday or Wednesday.

If we get the unanimous-consent request, there would be no further votes tonight or Friday. The next recorded votes would be at 5:15 on Monday. We will resume consideration of the treasury, postal appropriations bill. Earlier today, the managers were able to reach an agreement to limit amendments to that bill—first-degree amendments, I believe. Therefore, the Senate will remain in session this evening until the amendments have been debated. The votes, then, will be postponed to occur until 5:15 on Monday.

Mr. President, I believe that is all we need to announce at this point, Mr. President. So we can go back to the Treasury, Postal Service bill.

Mr. STEVENS. Will the Senator yield for one comment?

Mr. LOTT. Yes.

Mr. STEVENS. Although we will not be in session tomorrow, we will have a markup of a series of bills for the Appropriations Committee starting at 9:45.

Mr. LOTT. And there will also be considerable work done tomorrow in the two conferences that are pending, as we communicate between the Congress and administration on that. I don't believe a unanimous-consent request is required on this issue, announcing when the next votes would occur.

Mr. MCCAIN. Is it the majority leader's intention to get the tuna-dolphin bill resolved in one fashion or another?

Mr. LOTT. The Senator may not have heard. I announced that in deference to the request of a number of Senators who are trying to work out a reasonable compromise, we have pushed that issue off. But it is our intent that if we don't get a compromise worked out, we would have a cloture vote on that on Friday of next week. I want it understood by Senators that we should expect to be in session next Friday. So please don't be planning on leaving Thursday night.

Mr. MCCAIN. If the majority leader will yield, I have one further question. If that cloture vote does not succeed, do we intend to continue to debate the tuna-dolphin issue until its conclusion?

Mr. LOTT. That would be my preference.

Mrs. BOXER. Mr. President, will the Senator yield?

Mr. LOTT. I yield to the Senator from California.

Mrs. BOXER. I thank the Senator very much for yielding to me.

I would like to inform the leader that I think there is a real great opportunity to resolve this problem. Senator JOHN KERRY has great interest in it. I have been working with Senator SMITH and Senator BIDEN, and many other Senators. We have some really good support for real compromise. We feel that it can be compromised. I am very hopeful we can work together to resolve this. But, if not, we are prepared to have a showdown on the matter, if we have to.

Mr. LOTT. If I could just say, Mr. President, that I appreciate the suggestion that a good compromise could be worked out. And that is why I have not forced the issue this week. I originally planned to have a cloture vote on Friday, probably. But there were requests that we not do that both from the Senator from California and others.

I am not interested in trying to make an issue here. This is not an issue I am directly involved in, although it came out of the Commerce Committee, which I serve on. I think it is an important issue, an important conservation issue. It is an issue that affects jobs and fishing areas. Senator DASCHLE and I both have been receiving calls from the President of the United States saying, please get this legislation up and get it to a conclusion.

So my desire is to try to be helpful on this one. At the request of the administration, I am looking for a compromise that will allow us to get it completed in a reasonable period of time. But, if we can't do that, then we will just go with the alternative.

I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. If I could just add to that, I say to the majority leader, the fact is that the administration wants this bill. The fact is, this is an 11-nation agreement. The fact is, the majority of the environmental community in the United States of America and throughout the world, including Green Peace, want this bill. That is why I asked the majority leader, and, because of its importance, we were willing to debate this issue through until it is done.

I believe that it is also important to point out that the majority leader had planned on having a cloture vote and debate today. It was at the request of the ranking Democrat on the Commerce Committee, Senator HOLLINGS, that he delay this for an another entire week after many weeks of negotiations—fruitless, I might add. And if the Senator from California feels that the way to pursue any issue is through filibuster and debate rather than bringing up her amendments and having them voted on and the issue disposed of, that is fine with me. But I strongly support the majority leader in saying that we will debate this issue until it is resolved. It is too important, Mr. President.

Mr. LOTT. Mr. President, I think probably at this point I would be well-advised to yield the floor and let the Senators talk directly to each other.

Mr. President, I yield to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank the Senator very much.

Mr. President, I just didn't want the Record to go by without stating my disagreement with my friend from Arizona. We have 85 environmental groups, including the Sierra Club and the Humane Society, on the side of reasonable compromise. This is an area where I don't have to agree with the administration. Sometimes those occasions do occur.

Senator BIDEN and I teamed up in 1990. We passed the Dolphin Protection Act. This bill overturns it. Frankly, it was done in a way that should have brought the parties together in the first place. So I think we are doing this a little bit backwards in the sense that the compromise, I think, is going to come.

By the way, I have no problem with bringing up the bill at any point. We are prepared to do that. So, if you want to bring up the cloture vote on the motion to proceed to the bill, we are prepared to do that. But we think we can compromise this. We see Senator JOHN KERRY now playing a lead role—Senator BIDEN, I, Senator SMITH, and others on both sides of the aisle, in a bipartisan way, are ready to put forward an excellent compromise. If we get that, this bill can go through in moments.

Ms. SNOWE. Mr. President, will the Senator yield?

Mr. LOTT. Yes. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Thank you, Mr. President. I thank the leader.

I would like to comment on this issue because I think it is critically important, as chair of the Ocean and Fisheries Subcommittee. The fact is, the administration has requested that this issue be addressed expeditiously because of the agreement that we have entered into with 11 other countries.

Second, we attempted to work with Senator KERRY and others on the committee for a compromise on this issue. To no avail, I might add. But irrespective of that, we incorporated a number of changes in the legislation that were recommended by Senator KERRY and others that I think makes substantial progress on the issues that have been raised by the Senator from California and others. But there is a point at which it contravenes the agreement that had been reached between the United States and these other countries.

I hope we will have a chance to resolve these issues and to work on it, but we have to have good-faith efforts on the other side in order to resolve these issues without compromising the agreement.

I should also mention there are a number of environmental conservation groups that are endorsing this agreement because they think this is the best way to protect not only dolphin and tuna but other species that have been affected because of the status quo and because of the current law.

I should add other methods have affected the byproduct of other species to the detriment of a significant number of different fish that otherwise will continue to go on in this effort if we do not change it with this agreement.

So I hope that the Senator from California will work in a good-faith effort to reach an agreement on this issue. Otherwise, it will be lost.

I would also ask the President to work very vigorously. If he wants this legislation to come through, I think he certainly has to work to make sure that it does.

Mr. LOTT. Mr. President, we are going to have this debate next week, I presume.

I thank everyone for all of their good efforts.

Please allow me to complete my unanimous-consent request, and then we will complete the debate on the Treasury, Postal Service appropriations bill.

I want to emphasize this again. The Senate will next consider after this bill the VA–HUD appropriations bill on Monday, and votes will occur on amendments and passage of the treasury, postal bill at 5:15.

I ask unanimous consent that all amendments must be offered and debated with respect to the Treasury, Postal Service tonight, and those votes then would occur on a case-by-case basis at 5:15 on Monday.

The PRESIDING OFFICER. Is there objection?

Mr. COATS. Mr. President, reserving the right to object, and I will not object.

Mr. LOTT. Good.

Mr. COATS. I do not want to be oversolicitous here, but I think anybody watching understands the difficulty of the majority leader in trying to schedule issues for the Senate to debate. But I just want to say that the majority leader has gone out of his way to give us a family-friendly schedule and some certainty in our schedule by the way he has scheduled issues, by the way he has scheduled votes with a certainty of votes and provided Members an opportunity to go home and have dinner with their families, albeit a somewhat late dinner, but we are used to late dinners.

I just think this is an example of the difficulty of doing what he is doing. But he is doing a terrific job of it. I appreciate that. I might have considered staying in the Senate if I had known it was going to be this family-friendly.

Mr. LOTT. I tried to tell you.

I would be glad to yield to the Senator from Indiana any time. I appreciate his comments.

Mr. President, I have a unanimous-consent request.

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

Mr. LOTT. I thank Senator COATS very much.

I yield the floor.

Mr. STEVENS. Mr. President, before he leaves, I do want to thank the majority leader and the minority leader for their cooperation with our committee.

This has been a historic week for the Appropriations Committee. With the cooperation of my good friend from West Virginia, Senator BYRD, and the chairman of the subcommittees and the ranking members, we will now complete debate on five separate bills in 4 days. They have all passed by sheer weight of bipartisanship and cooperation and willingness to work together to work out problems.

I am hopeful that we will see the same thing next week when we again want to bring before the Senate at least five bills. We will have them ready to go before the Senate next week, and we will try to work them in according with the schedule.

But it is imperative, if we are going to avoid the problem of an enormous continuing resolution that we passed in the last Congress, that we get these bills to conference before we go off on the August recess so that the work can be done. Not all of the staff will have to stay here for the whole month. But we will have them at least ready to go to conference when we come back. They will be preconferenced during the period of August, and I think we will avoid any continuing resolution.

So I am, again, grateful to everyone here. But I hope the Senate itself is making history, and it is doing so in really the best spirit I have seen in the Senate for many years.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, for the benefit of our colleagues, could you state the pending business?

The PRESIDING OFFICER. Amendment 921 to the bill, S. 1023.

AMENDMENT NO. 921

Mr. CAMPBELL. Mr. President, I call up amendment 921.

The PRESIDING OFFICER. That amendment is pending.

Mr. CAMPBELL. Mr. President, the underlying first-degree amendment to No. 921 has been cleared on both sides, and I urge its immediate adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. KOHL. Mr. President, it has been cleared on our side.

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

The amendment (No. 921) was agreed to.

Mr. CAMPBELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 933

(Purpose: To clarify the limitation on undertaking a field support reorganization in Aberdeen, SD)

Mr. KOHL. I send an amendment to the desk

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for Mr. DASCHLE, proposes an amendment 933.

Mr. KOHL. 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 22, lines 15 and 16, strike ''Notwithstanding any other provision of law,'' and insert ''Hereafter,''.

Mr. DASCHLE. Mr. President, I would like to thank the chairman of the Subcommittee on Treasury, General Government, and Civil Service, Mr. CAMPBELL, and the ranking member, Mr. KOHL, for their assistance with this important clarifying amendment to the fiscal year 1998 Treasury and general government appropriations bill. They and their staffs have done excellent work in putting this bill together, and they are to be commended for their leadership.

The purpose of this amendment should be clarified for the RECORD. Section 107 of the bill, as approved by the Committee on Appropriations, states, ''Notwithstanding any other provision of law, no field support reorganization of the Internal Revenue Service shall be undertaken in Aberdeen, South Dakota, until the Internal Revenue Service toll-free help phone line assistance program reaches at least an 80 percent service level. The Commissioner shall submit to Congress a report and the GAO shall certify to Congress that the 80 percent service level has been met.'' Identical language was included in appropriations legislation approved last year for fiscal year 1997.

It has always been my intention that this language be considered permanent unless specifically changed by an act of Congress. The obvious intention of Congress in approving this provision is that reductions in force should not take place in Aberdeen until South Dakotans can be assured of being able to access assistance from IRS through the national telephone lines. It has not been the intention of Congress that this provision should expire at the end of the fiscal year for which the funds of this act are being appropriated. To make this crystal clear and explicit in the statute itself, my amendment replaces the phrase ''notwithstanding any other provision of law'' with the word ''hereafter.'' As the General Accounting Office states in its publication, Principles of Federal Appropriations Law, Second Edition, Volume I, ''A provision contained in an annual appropriation act is not to be construed to be permanent legislation unless the language used therein or the nature of the provision makes it clear that Congress intended it to be permanent. The presumption can be overcome if the provision uses language indicating futurity, such as 'hereafter.'''

Mr. President, this legislation ensures that no reorganization of the Aberdeen, South Dakota, IRS office shall take place until the IRS is capable of providing service on a national level that equates to the high quality service currently provided in Aberdeen.

Again, I wish to thank my colleagues for their help and consideration on this issue.

Mr. KOHL. Mr. President, this amendment has been cleared on both sides. I ask for its immediate adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. CAMPBELL. The amendment has been cleared by the majority side, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment (No. 933) was agreed to.

Mr. KOHL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CAMPBELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 934

Mr. CAMPBELL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Ms. COLLINS, for herself, Mr. SHELBY, and Mr. GRASSLEY, proposes an amendment numbered 934.

Mr. CAMPBELL. 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 5, line 5, strike ''$30,719,000'' and insert in lieu thereof, ''$29,719,000''.

On page 39 after line 2, insert the following new section:

SEC. 121. None of the funds made available by this Act may be used by the Inspector General to contract for advisory and assistance services that has the meaning given such term in section 1105(g) of Title 31, United States Code.

Mr. CAMPBELL. Mr. President, the amendment has been cleared by our side. We ask for its immediate adoption.

Mr. KOHL. The amendment has been cleared on our side also.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 934) was agreed to.

Mr. CAMPBELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CAMPBELL. Mr. President, at this time I would like to yield some time to Senator COLLINS, who would like to speak on the amendment.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, first I express my appreciation to the very able managers of this legislation, Senator CAMPBELL and Senator KOHL, for their willingness to accept the amendment which has been proposed by myself, Senator SHELBY and Senator GRASSLEY.

Let me just briefly explain the amendment and its purpose.

This amendment would prohibit the inspector general of the Department of Treasury from spending any money on consulting contracts, and it would make a corresponding reduction in the inspector general's budget by cutting it by $1 million.

Let me first make clear that this amendment is not intended to affect in any way any audit, inspection, investigation or law enforcement function of the Inspector General's Office. The reduction proposed in my amendment is intended to be taken from administrative expenses, specifically the budget classification called ''Other services,'' which is funded in the President's budget at $2.4 million. My amendment would leave $1.4 million available for that classification.

I am offering this amendment today because there is clear, disturbing and credible evidence that the incumbent inspector general has abused her contracting authority by spending taxpayer dollars on management studies of questionable value and of excessive cost.

For example, in April of this year, press accounts revealed that the inspector general had let a soul-source contract for a management study of her office. This $90,000 contract was awarded without the benefit of fair and open competition, and it was awarded to a friend of hers, someone who had in fact recommended her for the position of inspector general.

Mr. President, I have personally reviewed the final product of this contract. It is a 20-page report costing taxpayers $4,500 per page.

Another example of questionable activity occurred in September of 1995 when the inspector general awarded another contract, again without full and open competition, for $85,000 that subsequently ballooned to cost more than $300,000. My amendment would curtail these kinds of abuses in contracting by limiting the amount of funds available for this purpose and by prohibiting the inspector general from spending money on consulting services. In the meantime, without prejudging the ultimate outcome, the permanent subcommittee on investigations, of which I am the Chair, will continue its in-depth investigation into the contracting practices of this office.

I ask unanimous consent to have printed in the RECORD several newspaper reports documenting these contracting abuses.

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

TREASURY ETHICS WATCHDOG GAVE NO-BID CONTRACT TO ASSOCIATE

(By John Solomon)

WASHINGTON.—Shortly after becoming the Treasury Department's ethics watchdog, Valerie Lau arranged a no-bid contract for a longtime acquaintance who had written the White House recommending her for her job.

Lau's involvement has prompted a rare congressional inquiry into a department's inspector general, an official whose normal duties are policing the conduct of others and guarding against waste, fraud and abuse.

Documents obtained by The Associated Press show that Lau wrote a Treasury contracting office on Dec. 11, 1994, to select auditor Frank Sato to conduct a management review study of her office. Sato had proposed the study only the day before.

Lau asked that the contract be a ''sole source procurement,'' not to be competitively bid because of an ''unusual and compelling urgency'' for the review, the documents state.

Treasury quickly approved a $113,000 contract for Sato & Associates. The firm ultimately was paid $90,776, the documents show.

A year earlier, Sato had written the White House personnel office to recommend Lau ''very highly'' for an inspector general's job, saying he had known her since 1980 and found her to be ''a uniquely qualified person with high integrity and character.''

Treasury officials say Sato was chosen for the contract because he was a former federal inspector general ''uniquely qualified'' to review Lau's office and make recommendations to make it more efficient.

The disclosure marks the second time in a week that Lau's conduct has come under scrutiny. Last Thursday, she admitted she gave inaccurate testimony to Congress but blamed the error on bad information from her staff.

Congressional investigators are reviewing the Sato contract.

''At best, in this case, there is an appearance of impropriety that undermines the public confidence in this IG. This watchdog needs to be watched,'' said Sen. Charles Grassley, R–Iowa, chairman of one the Senate's investigative subcommittees.

Lau refused to be interviewed. But in written answers to Congress, she acknowledged she developed ''professional acquaintances'' with Sato and another partner in his firm over the years as they served as government auditors.

She did not mention Sato's letter of recommendation to the White House. Treasury spokesman Howard Schloss said Lau was aware of the letter but had not solicited it.

Federal ethics regulations advise employees to avoid actions that ''give rise to an appearance of * * * giving preferential treatment'' to someone with whom they have an outside relationship.

The regulations advise that ''an employee whose duties would affect the financial interests of a friend, relative or person with whom he is affiliated with in a nongovernmental capacity'' should consult with a third party to avoid the appearance of a conflict that would make a ''reasonable person'' question their impartiality.

Lau told Congress she chose Sato's firm because she knew he and his associated had ''unique qualifications'' as former inspectors general to provide ''expertise in the area of audit, investigations and managing'' her office.

Treasury officials could not immediately answer whether Lau consulted a third party, disclosed her outside relationship with Sato or reviewed the ethics rules before proceeding with the contract.

Sato worked for almost a decade as an inspector general at two different federal departments, then as an auditor at the

Deloitte & Touche accounting firm before starting his own business. He did not return a message left at his home Friday.

In his May 1993 letter recommending Lau, he told the White House he had known Lau since 1980 and worked with her ''on both professional accounting/financial management and Asian American issues.''

''I have found her to not only be a top professional, but a kind of person you enjoy working with,'' he wrote.

Lau, a former congressional auditor, was appointed the following year to Treasury inspector general, among positions Sato recommended to presidential personnel.

She began the job in late 1994. Documents show she began inquiring in early December about the possibility of a management review study, and on Dec. 10 received a formal proposal from Sato.

The next day she wrote the contracting office recommending Sato for the contract. ''Please let me know what I need to provide next,'' Lau scribbled in the handwritten note.

On Dec. 12, Lau submitted a formal contract proposal. Documents show it borrowed much of the language from the plan Sato had sent her just two days earlier.

[From the Washington Post, Apr. 24, 1997]

SENATOR SEEKS PROBE OF TREASURY OFFICIAL—AT ISSUE IS NO-BID CONTRACT AWARDED TO LONGTIME ACQUAINTANCE

(By Stephen Barr and Clay Chandler)

The chairman of a Senate panel on government oversight yesterday requested an inquiry into allegations that Treasury Department Inspector General Valerie Lau arranged to award a no-bid contract to a longtime acquaintance who had recommended that she be hired for her job.

Sen. Charles E. Grassley (R-Iowa), Chairman of the Judiciary Committee's subcommittee on administrative oversight and the courts, made the request, saying that if the allegations were true, ''the IG's action raises appearance questions of preferential treatment and a quid pro quo.''

A Treasury official, who asked not to be identified said the contract was awarded on merit, Lau was seeking a speedy review of her office to improve its ability to conduct a department-wide audit, a crucial part of a government-wide financial audit mandated by Congress, the official said.

Within weeks after her 1994 Senate confirmation, Lau selected Frank S. Sato, an auditor and former inspector general, to conduct a management study of her office and its operations, Treasury Department documents released by Grassley's office show, Lau's office is responsible for preventing waste, fraud and abuse in the department.

Lau told Treasury procurement officials on Dec. 7, 1994, that she had ''identified an immediate need'' for a management study. Three days later, in a letter to Lau, Sato outlined his proposal for the study.

The next day, Dec. 11, Lau recommended Sato for the job in a handwritten note. In documents attached to the note and in a subsequent memo to procurement officials, Lau indicated that the contract would be awarded without competitive bids and for a fixed price.

Treasury officials approved $113,000 for the contract and eventually paid $90,776 to Sato & Associates, a Treasury spokesman said.

In his contract proposal, Sato listed his qualifications, including experience as inspector general at the Veterans Administration (now the Department of Veterans Affairs) and Transportation Department during the 1980s. Sato said his ''project team'' would include at least one other former inspector general, Charles L. Dempsey, who investigated the Reagan-era scandals at the Department of Housing and Urban Development.

The year before Sato received the contract, he wrote a letter to a White House personnel official urging that Lau be considered for inspector general jobs at Treasury, the Transportation Department or the Office of Personnel Management.

Sato said he had known Lau since 1980, when she worked for the General Accounting Office, the congressional watchdog agency, in San Francisco, Sato described Lau as a ''top professional'' with ''high integrity and character.''

In Lau's prepared testimony submitted for her Senate confirmation hearing, she praised Sato as one of the government's first inspector generals who set high standards for the watch-dog positions created Congress in 1978.

Grassley made his request for a review of the Sato contract in a letter to Robert M. Bryant, who heads the FBI's Criminal Investigative Division.

The letter was addressed to Bryant in his role as chairman of the Integrity Committee, the arm of the President's Council on Integrity and Efficiency that handles allegations of misconduct against inspector generals. If the Integrity Committee decides an allegation warrants investigation, it turns the probe over to the Justice Department.

Grassely said no-bid contracts ''are usually reserved for matters of 'unusual and compelling urgency.' This contract clearly was neither unusual nor urgent.'' He asked Bryant to determine whether the awarding of the contract violated any laws regulations or ethics codes.

Sato did not return telephone calls seeking comment. The Treasury official said Lau had already referred the contract issue to the Integrity Committee for review.

[From the Washington Times, Apr. 28, 1997]

TREASURY MEMO CAUTIONED RUBIN ON LAU'S PROBLEMS

(By Ruth Larson)

Treasury Secretary Robert E. Rubin and the FBI were notified more than three months ago about serious ethics problems involving Treasury Department Inspector General Valerie Lau, Treasury sources say.

Treasury Department spokesman Howard Schloss said he believed the Jan. 15 internal memo, a copy of which was obtained last week by The Washington Times, was referred to the President's Council on Integrity and Efficiency, which oversees performance of inspectors general from various Cabinet departments.

''It's my understanding that nothing's been done on this matter,'' said Mr. Schloss, who declined further comment on the pace of the inquiry or the allegations against Miss Lau. Questions for Miss Lau were directed to Mr. Schloss.

Titled ''Mismanagement and Abuse of Power,'' the four-page memorandum delivered to Mr. Rubin's office detailed questionable travel, contracting and administrative expenses in the inspector general's office under Miss Lau's management.

''We are supposed to be independent and detect waste, fraud and abuse,'' the memo reads. ''We are not supposed to be practicing waste, fraud, and abuse.''

The memo also questioned the inspector general's willingness to tackle difficult or sensitive audits and investigations of some of the government's most critical agencies. Miss Lau's jurisdiction includes the Internal Revenue Service, the U.S. Secret Service, and the Bureau of Alcohol, Tobacco and Firearms.

The inspector general's office ''avoids at all costs conducting hard-hitting, meaningful audits and investigations,'' according to the memo. ''It is widely perceived that we avoid controversial areas and political issues that would require the IG to take a strong stand on certain issues.''

The document was also given to an FBI investigator associated with the Council on Integrity and Efficiency. That agent declined to comment on the memo or disclose whether an inquiry is under way.

The apparent lack of action at the agency in the wake of the memo has caught the attention of Sen. Charles E. Grassley, Iowa Republican and a member of the Senate Judiciary Committee.

Mr. Grassley plans to prod the FBI for an update on the Lau memo, his office said on Friday.

The Jan. 15 memo said Miss Lau:

Used more than $200,000 worth of employee time and travel resources to develop a ''mission vision, value statement'' for her office.

The value statement ultimately said the mission of the inspector general's office is to ''conduct independent audits, investigations and reviews'' that help ''promote economy, efficiency and effectiveness, and prevent and detect fraud and abuse.''

Hired an outside consulting firm called KLS to address problems with diversity and employee morale.

A Treasury official said Friday that $292,076 had been spent to date on the two-year contract, out of a possible $343,650. The contract runs through September.

Steered a sole-source management contract worth $90,776 to a firm owned by Frank Sato, a former inspector general and longtime acquaintance of Miss Lau's who wrote the White House to recommend her for her current post.

Made frequent trips to the West Coast, purportedly for business, but widely perceived by employees as chances to visit her family in the San Francisco area, ''at a time when the agency was strapped for travel funds.''

Since the Jan. 15 memo, subsequent memos provided to the FBI reported that * * * questionable behavior.

At a February 1996 meeting, for example, an employee complained that morale was suffering and there was ''not enough warmth'' in the agency.

''Ms. Lau then responded by saying she would show him some 'warmth,' and she proceeded to physically sit in [the employee's] lap, placed her arms round him, and gave him a big hug,'' one memo said.

Employees said one incident where Miss Lau failed to investigate forcefully came when she refused to allow her IRS Oversight Audit staff to investigate problems with the IRS' computer upgrade and reports of widespread employee browsing through celebrity tax returns.

In fact, since Miss Lau took over the office in October 1994, funds recovered have dropped from $201 million in fiscal 1994 to $25.9 million in fiscal 1996.

The number of audit reports issued has dropped as well, from 158 reports in 1994 to 106 in 1996.

Miss Lau has told Congress that the lower numbers are due to auditors' efforts to comply with new federal guidelines.

Meanwhile, in an effort to boost employee morale, Miss Lau hired the consulting firm KLS in September 1995.

In a written response to a House panel's questions, Miss Lau said: ''The sensitivity of identified diversity issues and perceived internal problems was such that an objective, outside source was desirable.''

The KLS contract was awarded using ''other than full and open competition'' because ''the agency's need is of such unusual and compelling urgency that it precludes competition,'' she wrote.

Employees say the scope of $344,000 contract has been amended since the original award and now includes revamping the office's employee performance.

[From U.S. News, July 2, 1997]

TREASURY IG WORKED FOR DEMOCRATS

(By John Solomon)

WASHINGTON.—The Treasury Department's ethics watchdog, already under scrutiny for a no-bid contract to an associate, authorized skipping normal competitive bidding procedures for a second consulting contract, official say.

With Congress beginning to investigate contracting by the office of Treasury Inspector General Valerie Lau, documents and interviews also shed new light on Lau's background and her office's work. For instance, Lau:

Was given an opportunity to apply for a Clinton administration job in 1993 while working as a consultant for the Democratic Party. Inspectors general, though appointed by the president, by law are designed to be politically independent.

Was instructed by the No. 2 Treasury Department official to rewrite one of the most high-profile reports of her tenure—the investigation into law enforcement's attendance at racist, drunken Good Ol' Boys Roundups—because it lacked basic investigatory information.

The scrutiny of Lau's office is an unusual twist for a watchdog normally charged with policing against waste, fraud and abuse throughout the Treasury Department.

Lau declined to be interviewed, but her office provided written answers to questions posed by The Associated Press.

The AP reported last month that shortly after taking over as IG in late 1994, Lau approved a $90,000 no-bid, sole-source management review contract to an associate who has written the White House recommending her for the job.

Documents show Lau approved the sole-source contract to Sato & Associates on the grounds that the government would be ''seriously injured'' if the contract was put up for bidding.

Officials say that in 1995, Lau's office again approved skipping competitive bidding procedures to hire a consultant to boost morale among workers.

Lau's office says it approved the $271,000 contract to the consulting firm KLS under a legal provision that permits ''other than full and open competition when the agency's need is such unusual and compelling urgency.''

The IG office said it skipped the bidding ''to prevent deterioration in workforce effectiveness' and because a survey it conducted ''suggested a prompt response was necessary'' to low worker morale.

The Senate Permanent Subcommittee on Investigations is investigating a variety of issues surrounding Lau's office, including the noncompetitive contracts and the performance of her office.

''I consider the allegations surrounding the Treasury Department's inspector general to be very troubling,'' Sen. Susan M. Collins, R-Maine, said.

In a January 1996 memo, Deputy Treasury Secretary Lawrence Summers wrote Lau that her original report into Treasury agents' participation in the controversial Good Ol'Boys Roundups was lacking key information.

''I am very concerned that the report be maximally credible in all respects,'' Summers wrote.

''Specifically it should be evident on the face of the report that your investigation was thorough and uncompromising.

''While those of us who know you well have no question concerning your effort and intentions, it would be helpful for your report to lay out exactly how your investigation was conducted,'' Summers wrote.

Among the basic information he cited as missing: identifying which witnesses were interviewed describing efforts made to collect documents, photographs and other evidence.

''In sum, it would seem advisable to describe all of the investigative techniques your office used or elected not to use in conducting this information,'' Summers wrote.

Assistant Treasury Secretary Howard Schloss said Summers' letter was simply designed to reinforce that ''the report be as clear as possible.''

Schloss also confirmed that just before she was hired by the Clinton administration, Lau volunteered in 1993 to work as a ''career consultant'' at the Democratic National Committee in Washington.

Schloss said Lau a professional auditor who also has a master's degree in career development, produced a series of jobs search strategy workshops for the DNC.

Ms. COLLINS. Mr. President, it is particularly troubling to uncover these apparent contracting abuses in the Office of the Inspector General, the very official who is supposed to be the watchdog against waste, fraud, and abuse in Federal departments.

Again, I thank the floor managers of this bill for their cooperation, and I appreciate their support of this amendment.

I yield the floor.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 935

Mr. KOHL. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Wisconsin [Mr. KOHL] proposes an amendment numbered 935.

Mr. KOHL. 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 12, line 2, strike $472,490,000 and insert in lieu thereof $473,490,000, of which $1,000,000 may be used for the youth gun crime initiative.

Mr. KOHL. Mr. President, I ask that the amendment be adopted.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. CAMPBELL. The amendment has been cleared by our side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 935) was agreed to.

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

Mr. CAMPBELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KOHL. Mr. President, Senator DURBIN wants to go on as a cosponsor of this amendment, the youth gun crime initiative amendment.

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

AMENDMENT NO. 936

(Purpose: To prohibit the use of funds to pay for an abortion or to pay for the administrative expenses in connection with certain health plans that provide coverage for abortions)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk on behalf of Senator DEWINE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. DEWINE, proposes an amendment numbered 936.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the amendment not be read at length.

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

The amendment is as follows:

At the end of title VI, insert the following:

SEC. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. . The provision of section _____ shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

Mr. CAMPBELL. This amendment has been cleared by both sides, but there will be a rollcall vote. And I ask for the yeas and nays on behalf of Senator DEWINE.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 932

(Purpose: To remove computer games from government computers)

Mr. CAMPBELL. Mr. President, at this time I would like to yield the floor for Senator FAIRCLOTH.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. I thank the Chair. I call up amendment No. 932 which is cosponsored by Senator SHELBY, Senator HAGEL, and myself.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. FAIRCLOTH], for himself, Mr. SHELBY and Mr. HAGEL, proposes an amendment numbered 932.

Mr. FAIRCLOTH. 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:

Insert at the appropriate section.

SEC. PROHIBITION OF COMPUTER GAME PROGRAMS.—

(1) DEFINITIONS.—In this section, ''agency'' means agency as defined under section 105 of title 5, United States Code;

(2) REMOVAL OF EXISTING COMPUTER GAME PROGRAMS.—Not later than 180 days after the date of enactment of this Act, the head of each agency shall take such actions as necessary to remove any computer program not required for the official of the agency from any agency computer equipment.

(3) PROHIBITION OF INSTALLATION OF COMPUTER GAME PROGRAMS.—The head of each agency shall prohibit the installation of any computer game program not required for the official business of the agency into any agency computer equipment.

(4) PROHIBITION OF AGENCY ACCEPTANCE OF COMPUTER EQUIPMENT WITH COMPUTER GAME PROGRAMS.—

(a) Title III of the Federal Property and Administrative Services Act of 1949 is amended by adding at the end the following:

"SEC. 317. RESTRICTIONS ON CERTAIN INFORMATION TECHNOLOGY.

''(a) DEFINITION.—In this section the term 'information technology' has the meaning given such term under section 5002(3) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

''(b) IN GENERAL.—The head of an executive agency may not accept delivery of information technology that is loaded with game programs not required for an official purpose under the terms of the contract under which information technology is delivered.

''(c) WAIVER.—The head of an executive agency may waive the application of this section with respect to any particular procurement of information technology, if the head of the agency——

''(1) conducts a cost-benefit analysis and determines that the costs of compliance with this section outweighs the benefits of compliance; and

''(2) submits a certification of such determination, with supporting documentation to the Congress.''.

(b) The table of contents in section 2(b) of the Federal Property and Administrative Services Act of 1949 is amended by inserting after the item relating to section 316 the following: ''Sec. 317. Restrictions on certain information technology.''.

(c) The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

Mr. FAIRCLOTH. Mr. President, I rise to offer an amendment that requires all Federal agencies to remove computer games from Government computers.

On June 9 of this year, I introduced S. 885, the Responsive Government Act, together with Senators HAGEL, SHELBY, STEVENS, and HUTCHINSON of Arkansas. The Responsive Government Act includes several provisions to help restore the confidence of the American people in the Federal Government. One of its provisions concerns the use of computer games on Government computers. I am again offering it today.

It is absolutely ludicrous that the taxpayers are paying people to play computer games. The computers are bought and paid for by the American taxpayers for work and not for fun, and they are footing the bill for the job, the office and everything. To be using it for pleasure is simply not in keeping with the way we should be running the Government.

The Federal Government did spend close to $20 billion last year on computers, equipment and support services. These systems are designed and purchased to increase productivity, not to provide games and ability to pass time while Federal employees are drawing wages. However, many of these computers are delivered already equipped with so-called games which reduce workers' efficiency and productivity. This legislation would prohibit the Federal Government from purchasing computers with preloaded game programs. These games, of course, do nothing but decrease productivity.

In fact, a private sector survey found that workers spent an average of 5½ hours per week playing computer games and other nonrelated tasks related to computer games. This translates into an annual loss of $10 billion in productivity.

Clearly, these games do not stay on the computers and go unused. In fact, many of the games now come equipped with a ''boss key'' which is a device that lets a worker strike a single key and transform the computer scene from a game to a spread sheet, a false spread sheet but a spread sheet. The soul purpose of the device is to hide unproductive behavior from supervisors. If you are playing the game and you suspect that anybody is coming, you just hit a key and it looks like you are working.

There is no reason for the Federal Government to buy computers with programs designed to divert employees' attention from their jobs. This is just simply common sense.

My amendment does provide a waiver in cases where a cost-benefit analysis finds it is more costly to purchase new computer equipment without games than with them. But these cost-benefit reports must be transmitted to the Congress. I think it is a reasonable safeguard for the unusual cases that cannot be anticipated by the Congress.

This is something that has already been done in selected Government agencies. Governor George Allen of Virginia and former Labor Secretary Robert Reich ordered workers to delete these game programs from their computers. I commend them for the action. It is time to implement such a policy throughout the Federal Government.

I thank the chairman for accepting this amendment. I understand it has been accepted by the managers of the bill on both sides, and I very much appreciate the support and help of Senator CAMPBELL and Senator KOHL.

Mr. President, I yield any remaining time.

Mr. CAMPBELL. Mr. President, the majority has no objection to this amendment.

Mr. KOHL. The minority accepts it also.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Without objection, the amendment is agreed to.

The amendment (No. 932) was agreed to.

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

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CAMPBELL. 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. KOHL. 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. 937

(Purpose: To strike restrictions on current authorities under the National Energy Conservation Policy Act)

Mr. KOHL. Mr. President, on behalf of Senator BINGAMAN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for Mr. BINGAMAN, proposes an amendment numbered 937.

Mr. KOHL. 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 92, strike lines 6 through 16.

Mr. MURKOWSKI. Mr. President, I rise in support of amendment from the Senator from New Mexico to strike section 630 of this legislation. The provision that would be stricken by the amendment addresses substantive issues regarding the energy efficiency requirements that apply to Federal agencies under the Energy Policy Act of 1992. The requirements addressed by this provision are complex and, along with many, if not all, of the energy efficiency provisions of EPAct, have resulted in quite a bit of controversy during their implementation. As chairman of the Energy Committee, I intend to investigate these issues thoroughly and address them legislatively, as appropriate.

I believe that the supporters of section 630 have raised a legitimate concern that will probably require a legislative resolution. However, as I noted, these issues are very complex, and within the jurisdiction of the Committee on Energy and Natural Resources. The scope of this section is very broad and its full impact is unknown at this time. Its impact on existing contracts is unclear, and it may, in fact, prohibit some activities that are appropriate and beneficial to the American taxpayer. We simply have not had the opportunity for the Energy Committee to evaluate this language and assess all of its implications, as it should. As such, I must object to their resolution in this piece of legislation on procedural grounds and would ask that my name be added as co-sponsor of the Bingaman amendment.

Mr. KOHL. I ask to have the amendment laid aside until Monday.

Mr. STEVENS. I object. I wish to discuss the amendment tonight.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. The amendment of the Senator from New Mexico would eliminate from the bill a provision that I requested be inserted because of a conference I had with a former staff member of the Commerce Committee, as a matter of fact. He pointed out to me that the basic law, the National Energy Conservation Policy Act, requires the competitive process.

According to the Office of Technology Assessment, Federal agencies spent about $4 billion annually on power, light, water and other utility bills, and that that could be cut by 25 percent, about $1 billion a year, if we required agencies to improve energy efficiency. That led to this new law.

Our provision does not call for new funding. It does not change existing law. It restricts the use of appropriated funds unless procurements are made through the competitive process. The language in the bill that I requested effects no change in that law, the existing law. The existing law does require a full competitive procurement to be used by Federal agencies to obtain energy-efficient goods and services. It is within the jurisdiction of our Appropriations Committee. It is primarily because it limits the expenditure of funds. Our language really does no more than direct Federal agencies to abide by the law, to follow the law which requires specific procurement procedures. It will not disrupt any existing contracts. It will not prohibit any utility or nonutility provider of energy-efficient services from competing for Federal contracts. It simply directs the Federal agencies to use the competitive process for procuring services for all energy efficiency providers as current law directs.

Mr. President, my problem with striking it is it will mean that we will continue to not receive the savings that we are supposed to receive as a result of the basic law of the land which is the Energy Conservation Policy Act. I do believe that this is a law which ought to be pursued. I call the Senate's attention to that act, which is basically the 1978 act. It has been improved on several times since that time.

I might say, the person who talked to me was part of the staff at the time that basic law was devised, and pointed out to me how it has not been enforced. What we are talking about is basically the provision that is required under Section 551(4) of Title I of the National Energy Conservation Policy Act which basically says this:

> The term ''energy conservation measures'' means measures that are applied to a Federal building that improve energy efficiency or are life cycle cost effective and that involve energy conservation, cogeneration facilities, renewable energy sources, improvements in operation and maintenance efficiencies, or retrofit activities.

That is the law, Mr. President. Senator BINGAMAN's amendment would strike from this bill my amendment which requires and—prevents the use of funds under this bill for those activities unless they follow the law regarding competitive procurement practices. I know Senator BINGAMAN will have a minute when he comes on Monday. I wanted to take this time now to explain it.

I ask unanimous consent we have printed in the RECORD at this point the relevant provisions of the National Energy Conservation Policy Act, Section 201 of the Federal Property Administrative Services Act, which is what we require.

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

EXCERPTS FROM THE NATIONAL ENERGY CONSERVATION POLICY ACT

SEC. 8259. Definitions.

* * * * *

(4) the term ''energy conservation measures'' means measures that are applied to a Federal building that improve energy efficiency and are life cycle cost effective and that involve energy conservation, cogeneration facilities, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities;

* * * * *

SEC. 8251. Findings.

The Congress finds that—

(1) the Federal Government is the largest single energy consumer in the Nation;

(2) the cost of meeting the Federal Government's energy requirement is substantial;

(3) there are significant opportunities in the Federal Government to conserve and make more efficient use of energy through improved operations and maintenance, the use of new energy efficient technologies, and the application and achievement of energy efficient design and construction;

(4) Federal energy conservation measures can be financed at little or no cost to the Federal Government by using private investment capital made available through contracts authorized by subchapter VII of this chapter; and

(5) an increase in energy efficiency by the Federal Government would benefit the Nation by reducing the cost of government, reducing national dependence on foreign energy resources, and demonstrating the benefits of greater energy efficiency to the Nation.

* * * * *

SEC. 8287. Authority to enter into contracts.

(a) In general.

(1) The head of a Federal agency may enter into contracts under this subchapter solely for the purpose of achieving energy savings and benefits ancillary to that purpose. Each such contract may, notwithstanding any other provision of law, be for a period not to exceed 25 years. Such contract shall provide that the contractor shall incur costs of implementing energy savings measures, including at least the costs (if any) incurred in making energy audits, acquiring and installing equipment, and training personnel, in exchange for a share of any energy savings directly resulting from implementation of such measures during the term of the contract.

(2)(A) Contracts under this subchapter shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any Government payments and performance guarantees. Any such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

(B) Aggregate annual payments by an agency to both utilities and energy savings performance contractors, under an energy savings performance contract, may not exceed the amount that the agency would have paid for utilities without an energy savings performance contract (as estimated through the procedures developed pursuant to this section) during contract years. The contract shall provide for a guarantee of savings to the agency, and shall establish payment schedules reflecting such guarantee, taking into account any capital costs under the contract.

(C) Federal agencies may incur obligations pursuant to such contracts to finance energy conservation measures provided guaranteed savings exceed the debt service requirements.

(D) A Federal agency may enter into a multiyear contract under this subchapter for a period not to exceed 25 years, without funding of cancellation charges before cancellation, if—

(i) such contract was awarded in a competitive manner pursuant to subsection (b(2) of this section, using procedures and methods established under this subchapter;

(ii) funds are available and adequate for payment of the costs of such contract for the first fiscal year;

(iii) 30 days before the award of any such contract that contains a clause setting forth a cancellation ceiling in excess of $750,000, the head of such agency gives written notification of such proposed contract and of the proposed cancellation ceiling for such contract to the appropriate authorizing and appropriating committees of the Congress; and

(iv) such contract is governed by part 17.1 of the Federal Acquisition Regulation promulgated under section 421 of Title 41 or the applicable rules promulgated under this subchapter.

(b) Implementation.

(1)(A) The Secretary, with the concurrence of the Federal Acquisition Regulatory Council established under section 421(a) of Title 41, not later than 180 days after October 24, 1992, shall, by rule, establish appropriate procedures and methods for use by Federal agencies to select, monitor, and terminate contracts with energy service contractors in accordance with laws governing Federal procurement that will achieve the intent of this section in a cost-effective manner. In developing such procedures and methods, the Secretary, with the concurrence of the Federal Acquisition Regulatory Council, shall determine which existing regulations are inconsistent with the intent of this section and shall formulate substitute regulations consistent with laws governing Federal procurement.

(B) The procedures and methods established pursuant to subparagraph (A) shall be the procedures and contracting methods for selection, by an agency, of a contractor to provide energy savings performance services. Such procedures and methods shall provide for the calculation of energy savings based on sound engineering and financial practices.

(2) The procedures and methods established pursuant to paragraph (1)(A) shall—

(A) allow the Secretary to—

(i) request statements of qualifications, which shall, at a minimum, include prior experience and capabilities of contractors to perform the proposed types of energy savings services and financial and performance information, from firms engaged in providing energy savings services; and

(ii) from the statements received, designate and prepare a list, with an update at

least annually, of those firms that are qualified to provide energy savings services;

(B) require each agency to use the list prepared by the Secretary pursuant to subparagraph (A)(ii) unless the agency elects to develop an agency list of firms qualified to provide energy savings performance services using the same selection procedures and methods as are required of the Secretary in preparing such lists; and

(C) allow the head of each agency to—

(i) select firms from the list prepared pursuant to subparagraph (A)(ii) or the list prepared by the agency pursuant to subparagraph (B) to conduct discussions concerning a particular proposed energy savings project, including requesting a technical and price proposal from such selected firms for such project;

(ii) select from such firms the most qualified firm to provide energy savings services based on technical and price proposals and any other relevant information;

(iii) permit receipt of unsolicited proposals for energy savings performance contracting services from a firm that such agency has determined is qualified to provide such services under the procedures established pursuant to paragraph (1)(A), and require agency facility managers to place a notice in the Commerce Business Daily announcing they have received such a proposal and invite other similarly qualified firms to submit competing proposals; and

(iv) enter into an energy savings performance contract with a firm qualified under clause (iii), consistent with the procedures and methods established pursuant to paragraph (1)(A).

(3) A firm not designated as qualified to provide energy savings services under paragraph (2)(A)(i) or paragraph (2)(B) may request a review of such decision to be conducted in accordance with procedures to be developed by the board of contract appeals of the General Services Administration. Procedures developed by the board of contract appeals under this paragraph shall be substantially equivalent to procedures established under section 759(f) of Title 40.

(c) Sunset and reporting requirements

(1) The authority to enter into new contracts under this section shall cease to be effective five years after the date procedures and methods are established under subsection (b) of this section.

(2) Beginning one year after the date procedures and methods are established under subsection (b) of this section, and annually thereafter, for a period of five years after such date, the Comptroller General of the United States shall report on the implementation of this section. Such reports shall include, but not be limited to, an assessment of the following issues:

(A) The quality of the energy audits conducted for the agencies.

(B) The Government's ability to maximize energy savings.

(C) The total energy cost savings accrued by the agencies that have entered into such contracts.

(D) The total costs associated with entering into and performing such contracts.

(E) A comparison of the total costs incurred by agencies under such contracts and the total costs incurred under similar contracts performed in the private sector.

(F) The number of firms selected as qualified firms under this section and their respective shares of awarded contracts.

(G) The number of firms engaged in similar activity in the private sector and their respective market shares.

(H) The number of applicant firms not selected as qualified firms under this section and the reason for their nonselection.

(I) The frequency with which agencies have utilized the services of Government labs to perform any of the functions specified in this section.

(J) With the respect to the final report submitted pursuant to this paragraph, an assessment of whether the contracting procedures developed pursuant to this section and utilized by agencies have been effective and whether continued use of such procedures, as opposed to the procedures provided by existing public contract law, is necessary for implementation of successful energy savings performance contracts.

* * * * *

SEC. 8287a. Payment of costs.

Any amount paid by a Federal agency pursuant to any contract entered into under this subchapter may be paid only from funds appropriated or otherwise made available to the agency for fiscal year 1986 or any fiscal year thereafter for the payment of energy expenses (and related operation and maintenance expenses).

* * * * *

SEC. 8287b. Reports.

Each Federal agency shall periodically furnish the Secretary of Energy with full and complete information on its activities under this subchapter, and the Secretary shall include in the report submitted to Congress under section 8260 of this title a description of the progress made by each Federal agency in—

(1) including the authority provided by this subchapter in its contracting practices; and

(2) achieving energy savings under contracts entered into under this subchapter.

EXCERPTS FROM THE PROPERTY ADMINISTRATIVE SERVICES ACT

SUBCHAPTER II—PROPERTY MANAGEMENT

SEC. 481. Procurement, warehousing, and related activities.

(a) Policies and methods of procurement and supply; operation of warehouses

The Administrator shall, in respect of executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service, and with due regard to the program activities of the agencies concerned—

(1) subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act [41 U.S.C.A. §401 et seq.], prescribe policies and methods of procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, property identification and classification, transportation and traffic management, management of public utility services, and repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

(3) procure and supply personal property and nonpersonal services for the use of executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply such as those mentioned above in subparagraph (1) at this subsection: *Provided,* That contacts for public utility services may be made for periods not exceeding ten years; and

(4) with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies;

Provided, That the Secretary of Defense may from time to time, and unless the President shall otherwise direct, exempt the Department of Defense from action taken or which may be taken by the Administrator under clauses (1) to (4) of this subsection whenever he determines such exemption to be in the best interests of national security.

(b) Extension of services to Federal agencies and mixed ownership corporations and the District of Columbia.

The Administrator shall as far as practicable provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed ownership corporation (as defined in chapter 91 of Title 31), or the District of Columbia, upon its request.

(c) Exchange or sale of similar items

In acquiring personal property, any executive agency, under regulations to be prescribed by the Administrator, subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act [41 U.S.C.A. §401 et seq.], may exchange or sell similar items and may apply the exchange allowance or proceeds of sale in such cases in whole or in part payment for the property acquired: *Provided,* That any transaction carried out under the authority of this subsection shall be evidenced in writing.

(d) Utilization of services by executive agencies without reimbursement or transfer of funds

In conformity with policies prescribed by the Administrator under subsection (a) of this section, any executive agency may utilize the services, work, materials, and equipment of any other executive agency, with the consent of such other executive agency, for the inspection of personal property incident to the procurement thereof, and notwithstanding section 1301(a) of Title 31 or any other provision of law such other executive agency may furnish such services, work, materials, and equipment for that purpose without reimbursement or transfer of funds.

(e) Exchange or transfer of excess property

Whenever the head of any executive agency determines that the remaining storage or shelf life of any medical materials or medical supplies held by such agency for national emergency purposes is of too short duration to justify their continued retention for such purposes and that their transfer or disposal would be in the interest of the United States, such materials or supplies shall be considered for the purposes of section 483 of this title to be excess property. In accordance with the regulations of the Administrator, such excess materials or supplies may thereupon be transferred to or exchanged with any other Federal agency for other medical materials or supplies. Any proceeds derived from such transfers may be credited to the current applicable appropriation or fund of the transferor agency and shall be available only for the purchase of medical materials or supplies to be held for national emergency purposes. If such materials or supplies are not transferred to or exchanged with any other Federal agency, they shall be disposed of as surplus property. To the greatest extent practicable, the head of the executive agency holding such medical materials or supplies shall make the determination provided for in the first sentence of this subsection at such times as to insure that such medical materials or medical supplies can be transferred or otherwise disposed of in sufficient time to permit their use before their shelf life expires and they are rendered unfit for human use.

* * * * *

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(1) subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act [41 U.S.C.A. §401 et seq.], prescribe policies and methods of procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, property identification and classification, transportation and traffic management, management of public utility services, and repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

(3) procure and supply personal property and nonpersonal services for the use of executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply such as those mentioned above in subparagraph (1) of this subsection: *Provided,* That contracts for public utility services may be made for periods not exceeding ten years; and

(4) with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies;

Provided, That the Secretary of Defense may from time to time, and unless the President shall otherwise direct, exempt the Department of Defense from action taken or which may be taken by the Administrator under clauses (1) to (4) of this subsection whenever he determines such exemption to be in the best interests of national security.

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Mr. STEVENS. We say that no funds can be used for the purpose of these measures unless they comply with the law. That is entirely within the jurisdiction of our committee, and I hope the Senate will not pursue the amendment of the Senator from New Mexico. I have not decided whether to make a motion to table that amendment. As I understand the procedure, the motions to table were not waived and therefore I reserve my right to make a motion to table this amendment should the Senator from New Mexico seek to pursue it further on Monday.

Mr. KOHL. We will lay the amendment aside until Monday.

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

The Senator from Colorado.

AMENDMENT NO. 938

(Purpose: To provide for Members of Congress to voluntarily disclose participation in Federal retirement systems in the annual financial disclosure forms)

Mr. CAMPBELL. I send an amendment to the desk on behalf of Senator ABRAHAM and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. ABRAHAM, proposes an amendment numbered 938.

Mr. CAMPBELL. 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 new section:

SEC. . (a) The congressional ethics committees shall provide for voluntary reporting by Members of Congress on the financial disclosure reports filed under title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) on such Members' participation in—

(1) the Civil Service Retirement System under chapter 83 of title 5, United States Code; and

(2) the Federal Employees Retirement System under chapter 84 of title 5, United States Code.

(b) In this section, the terms ''congressional ethics committees'' and ''Members of Congress'' have the meanings given such terms under section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(c) This section shall apply to fiscal year 1998 and each fiscal year, thereafter.

Mr. CAMPBELL. Mr. President, this amendment has been cleared on both sides of the aisle. I urge its immediate adoption.

Mr. KOHL. We have no objection.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 938) was agreed to.

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

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

AMENDMENT NO. 939

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL] proposes an amendment numbered 939.

Mr. CAMPBELL. 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 3, line 2, insert the following after ''$6,745,000'' *Provided further,* That Chapter 9 of the Fiscal Year 1997 Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, including those in Bosnia, Public Law 105–18 (111 Stat. 195–96) is amended by inserting after the ''County of Denver'' in each instance ''the County of Arapahoe''.

Mr. CAMPBELL. This amendment has been cleared by both sides. I urge its immediate adoption.

Mr. KOHL. We have no objection on our side.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 939) was agreed to.

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

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

AMENDMENTS NOS. 940 AND 941

Mr. CAMPBELL. Mr. President, I send two amendments to the desk on behalf of Senator COVERDELL.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. COVERDELL, for himself and Mrs. FEINSTEIN, proposes amendment numbered 940 and, for Mr. COVERDELL, amendment numbered 941.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 940

(Purpose: To provide that Federal employees convicted of certain bribery and drug-related crimes shall be separated from service)

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

SEC. . (a) A Federal employee shall be separated from service and barred from reemployment in the Federal service, if—

(1) the employee is convicted of a violation or attempted violation of section 201 of title 18, United States Code; and

(2) such violation or attempted violation related to conduct prohibited under section 1010(a) of the Controlled Substances Import and Export Act (21 U.S.C. 960(a)).

(b) This section shall apply during fiscal year 1998 and each fiscal year thereafter.

AMENDMENT NO. 941

(Purpose: To require a plan for the coordination and consolidation of the counterdrug intelligence centers and activities of the United States)

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

SEC. . (a) COORDINATION OF COUNTERDRUG INTELLIGENCE CENTERS AND ACTIVITIES.—(1) Not later than 120 days after the date of enactment of this Act, the Director of the Office of National Drug Control Policy shall submit to the appropriate congressional committees a plan to improve coordination, and eliminate unnecessary duplication, among the counterdrug intelligence centers and counterdrug activities of the Federal Government, including the centers and activities of the following departments and agencies:

(A) The Department of Defense, including the Defense Intelligence Agency.

(B) The Department of the Treasury, including the United States Customs Service.

(C) The Central Intelligence Agency.

(D) The Coast Guard.

(E) The Drug Enforcement Administration.

(F) The Federal Bureau of Investigation.

(2) The purpose of the plan under paragraph (1) is to maximize the effectiveness of the centers and activities referred to in that paragraph in achieving the objectives of the national drug control strategy. In order to maximize such effectiveness, the plan shall—

(A) articulate clear and specific mission statements for each counterdrug intelligence center and activity, including the manner in which responsibility for counterdrug intelligence activities will be allocated among the counterdrug intelligence centers;

(B) specify the relationship between such centers;

(C) specify the means by which proper oversight of such centers will be assured;

(D) specify the means by which counterdrug intelligence will be forwarded effectively to all levels of officials responsible for United States counterdrug policy; and

(E) specify mechanisms to ensure that State and local law enforcement agencies are apprised of counterdrug intelligence in a manner which—

(i) facilitates effective counterdrug activities by such agencies; and

(ii) provides such agencies with the information necessary to ensure the safety of officials of such agencies in their counterdrug activities.

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means the following:

(1) The Committee on Foreign Relations, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate.

(2) The Committee on International Relations, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives.

Mr. CAMPBELL. Mr. President, I ask unanimous consent the amendments be set aside.

Mr. KOHL. We have no objection to their being set aside.

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

PRESIDENT'S ANTI-DRUG CAMPAIGN

Mr. CLELAND. Mr. President, I had planned to offer an amendment which addresses a matter that is critical to the future of America. Drug use by the nation's youth is rising at alarming levels. The Office of National Drug Control Policy's budget request included $175 million for a youth oriented media anti-drug campaign aimed at reducing drug use by our nation's children. I strongly support this campaign.

Drug use among America's youth has doubled over the past five years, tripling among eighth graders. These trends are devastating and threaten to destroy the fabric of American society. We have an obligation to reverse these trends by motivating America's youth to reject drugs. As you know, the media exerts tremendous influence on children. Through the power of the media we are equipped to influence children via outlets that include television, radio, computer software, and the Internet.

While drug use has been glamorized, normalized and linked with popularity, this media campaign will employ a strategy to change youth attitudes about the perceived risk of drug use and to encourage parents to talk to their children about drugs. Coupled with support from the private sector, the program would finance anti-drug messages to reach 90 percent of all children ages 9 through 17 at least four times per week. The media campaign will supplement existing public service campaigns carried out by groups such as the Partnership for a Drug Free America and the Ad Council, both of whom will participate in the Office of National Drug Policy campaign.

Unfortunately, this program was not fully funded by the Appropriations Committee. I share its view that the funds used for this program must be carefully monitored to assure its effectiveness and non-partisan status, and I support the requirements the Committee has included that address these matters.

However, I believe that denial of full funding sends the wrong message here. The Appropriations Committee questioned whether full funding for this new program at this time was premature. I fail to see the rationale. The numbers of children using drugs are going up. If anything, I would say that funding for such a campaign is too late, not premature.

Let's put this funding in the context of the media. We all know that Hollywood is a multibillion dollar industry. Each year, billions of dollars are put into producing movies that glamorize drugs and alcohol. Then there is the advertising industry. I am told that the amount requested for this program is of the same magnitude of what is typically spent on one line of commercials for a fast food restaurant. And how much money every year is spent on beer commercials? If you imagine what our children are inundated with on a daily basis, and then if you think about how limited this campaign actually is, I believe one would begin to understand how much more we should be doing to prevent our children from being influenced to view drugs and alcohol in a positive light.

My amendment would have added $65 million to help counter the messages our children receive each day. Given the expressions of opposition I have received from the Committee on this amendment, I will not offer it. Nonetheless I cannot think of a sound reason to oppose this critically important campaign. We must invest in the future of America's 68 million children. We cannot allow another generation children to be lost to the culture of drug use.

I hope that in the future the Senate will have the opportunity to revisit this matter and increase funding for this most important anti-drug campaign.

FUNDING FOR THE FEDERAL ELECTION COMMISSION

Mr. DODD. Mr. President, I rise today to speak about the funding for the Federal Election Commission (FEC), as allocated in the Treasury, General Government, Civil Service Appropriations Bill.

All of us know that Congress' appropriators are tasked with guiding one of the most difficult of our duties—deciding how to spend the taxpayers' money. While I appreciate the magnitude and difficulty of this task as approached by the Subcommittee on Treasury, General Government, and Civil Service Appropriations, I am disappointed that the committee did not provide the FEC with full funding at its request of $34.2 million, as supported by the President.

Mr. President, the citizens' cries for campaign finance reform are growing louder and louder. Why? Because campaign spending is out of control. As money floods endlessly into our electoral system, however, I fear the voice of the average American will be drowned out and democracy will be the victim.

Much must be done to truly and effectively clean up our political campaigns. But one thing we can do to start right now is provide the FEC—the agency charged by Congress with overseeing our campaign finance system—with the finances it needs to promptly and effectively enforce the laws that govern our campaigns.

Consider that, in just eight years, we have seen a fourfold increase in the amount of money raised and spent by both parties, from $220 million raised by both parties in 1988 to $881 million raised in 1996.

In just four years, we have seen a 73 percent increase in political costs. A 73 percent increase in political costs since 1992—while wages rose 13 percent and education costs rose 17 percent during that same period.

Congressional spending in 1996 general elections was $626.4 million, 6.3 percent higher than the record 1994 levels.

And an unprecedented $2.5 billion in financial activity was reported to the commission in 1996.

And it was the FEC that had to oversee all this spending, to be sure it complied with the law.

This increase in campaign spending has therefore generated a sharp increase FEC's workload. Between 1994 and November of 1996, the FEC's caseload rose 36 percent, and because complaints related to the 1996 election are still being filed, the FEC expects the caseload to ultimately rise by 52 percent. Yet, providing adequate funding for the FEC has been a constant battle. Recent rescissions and funding rollbacks have prevented the FEC from keeping up with its ever-increasing workload and meeting inflation in rent and salary costs.

This combination of a decreasing budget and an increasing workload have hamstrung the FEC's ability to fulfill its watchdog role in a timely and effective manner. At the same time the FEC's caseload has risen, staff cuts required by the post-FY '95 budget reductions have led to a 25 percent drop in the FEC's ability to handle those cases.

Perhaps that is one reason why the FEC has become known as a toothless tiger. I believe it is time to give this tiger the teeth it needs to carry out its duties.

Mr. President, we are in the midst of multiple government investigations into campaign financing—investigations I wholeheartedly support. But as Congress has allocated millions of dollars for burgeoning Congressional campaign finance investigations, the least we can do is provide adequate funding for the independent and bipartisan FEC to do its job.

Many of my colleagues have said that campaign finance reform is not the issue for 1997. The illegalities of 1996, they say, is the issue. Yet, at the same time, they refuse to fund the very agency that should be first to uncover and punish any illegalities.

In October 1996, following news reports of alleged irregularities in fundraising by both political parties, I initiated a request that the FEC conduct an investigation of the Democratic National Committee, and pledged to make available all relevant records and personnel. At a Rules Committee hearing earlier this year, I was shocked to learn that as of February 1997, due to the tremendous backlog of cases and funding shortfalls at the FEC, that investigation had not even begun. While I am informed today that the investigation has now begun, I believe the delay in commencing the audit is illustrative of the magnitude of the FEC's budget problems.

Earlier this year, after learning of the FEC's long delay in beginning to address the cases generated by the 1996 election, I introduced a bill to strengthen the FEC and authorize full funding for the agency. I was also recently joined by my colleagues Senators KERREY, REED, and DORGAN in writing to Senate appropriators to request that they provide the FEC with full funding. I ask unanimous consent that those letters be printed in the RECORD.

I am disappointed that we have not fully funded the FEC at this time, but I remain hopeful that we will provide full funding—and enact other much needed FEC reforms—when we debate comprehensive campaign finance reform in what I hope will be the near future.

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

U.S. SENATE,
Washington, DC, July 7, 1997.

Hon. BEN NIGHTHORSE CAMPBELL,
Chairman, Subcommittee on Treasury, Postal Service, and General Government Appropriations, Committee on Appropriations, Washington, DC.

DEAR SENATOR CAMPBELL: As your subcommittee prepares to consider the Treasury-Postal Appropriations bill, we write to urge you to appropriate full funding for the Federal Election Commission at their request of $34.2 million.

Established by Congress as one of the post-Watergate reforms, the FEC was charged with overseeing and monitoring federal election campaigns' compliance with the law. As we mark the 25th anniversary of Watergate this year, it is time that we enable the FEC to live up to its mandate by providing it with the necessary funding.

In recent elections, as the cost of campaigns has spiraled out of control and current campaign laws have proven porous and ineffective in discouraging this trend, the FEC's caseload has risen, making its job more and more difficult. The cost of campaigns rose 73% between the 1992 and 1996, and parties raised four times the amount of money in 1996 that they raised just eight years before in 1988. Between 1994 and November of 1996, the FEC's caseload rose 36% and because complaints related to the 1996 election are still being filed, the FEC expects the caseload to ultimately rise by 52%. Yet, even as the FEC's workload has surged and Congress has allocated millions of dollars for burgeoning Congressional campaign finance investigations, providing adequate funding for the independent and bipartisan FEC has been a constant battle. Rescissions and funding rollbacks over the last few years have not permitted the FEC to keep pace with its increasing workload, or even to meet inflation in rent and salary costs.

This combination of a decreasing budget and an increasing workload have hamstrung the FEC's ability to fulfill its duties. At the same time the FEC's caseload has risen, staff cuts required by the post-FY '95 budget reductions have led to a 25% drop in the FEC's ability to handle those cases.

The $34.2 million requested by the FEC encompasses $29.3 million included in the President's budget, which the FEC requires to continue responsible operation and which would restore the FEC's funding to its pre-1995 recision level. The $34.2 million figure also encompasses an additional $4.9 million the FEC now needs to handle the increased volume of work resulting from the 1996 elections.

For too long, the FEC has been known as a toothless tiger, an agency rendered powerless by both structural and financial inadequacies. While we in Congress must explore many ways of strengthening the FEC, one way we can help restore its authority is to allocate the money it needs. We urge you and your committee to make the requested FEC funding a top priority.

ROBERT J. KERREY.
JACK REED.
CHRISTOPHER J. DODD.
BYRON L. DORGAN.

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U.S. SENATE,
Washington, DC, July 7, 1997.

Hon. HERB KOHL,
Ranking Member, Subcommittee on Treasury, Postal Service, and General Government Appropriations, Committee on Appropriations, Washington, DC.

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In recent elections, as the cost of campaigns has spiraled out of control and current campaign laws have proven porous and

ineffective in discouraging this trend, the FEC's caseload has risen, making its job more and more difficult. The cost of campaigns rose 75 percent between the 1992 and 1996, and parties raised four times the amount of money in 1996 that they raised just 8 years before in 1988. Between 1994 and November of 1996, the FEC's caseload rose 36 percent, and because complaints related to the 1996 election are still being filed, the FEC expects the caseload to ultimately rise by 52 percent. Yet, even as the FEC's workload has surged and Congress has allocated millions of dollars for burgeoning Congressional campaign finance investigations, providing adequate funding for the independent and bipartisan FEC has been a constant battle. Rescissions and funding rollbacks over the last few years have not permitted the FEC to keep pace with its increasing workload, or even to meet inflation in rent and salary costs.

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For too long, the FEC has been known as a toothless tiger, an agency rendered powerless by both structural and financial inadequacies. While we in Congress must explore many ways of strengthening the FEC, one way we can help restore its authority is to allocate the money it needs. We urge you and your committee to make the requested FEC funding a top priority.

Sincerely,

ROBERT J. KERREY.
JACK REED.
CHRISTOPHER J. DODD.
BYRON L. DORGAN.

THE NATIONAL HISTORICAL PUBLICATIONS AND RESEARCH COMMISSION AND THE NATHANIEL GREENE PAPERS

Mr. CHAFEE. Mr. President, I would like to commend Senator CAMPBELL for his work on this appropriations bill. I was particularly pleased with the funding level for the National Historical Publications and Records Commission, which was increased by $1 million over the budget request. It is my hope that, although not specifically earmarked, a portion of these funds will go toward completing the Rhode Island Historical Society's ongoing project ''The Papers of General Nathaniel Greene.''

As I am sure my colleagues are aware, Nathaniel Greene, in addition to being a famous Rhode Islander, was second in command to General George Washington during the American Revolutionary War. Nathaniel Greene's papers, which are extensive, provide a complete, first-person account of the Revolution. The Greene papers include numerous correspondence with George Washington, as well as letters from all of the members of the Continental Congress, the Board of War, many of the state governors, a number of Generals in the Continental Army, and other troops and their loved ones.

When the war was over, General Greene, clearly recognizing the historical significance of his correspondence, gathered as many as 6,000 letters and documents in trunks and made his way home to Rhode Island. Later, he stopped in Princeton, New Jersey, the site of the Continental Congress, and expressed his desire to have his papers copied, assembled, and bound in books. That very day, Congress agreed to General Greene's request and voted to provide him with a clerk to undertake this task. Regrettably, General Greene died two years later, and, over the years, his papers have been scattered between more than 100 repositories in a number of states.

Since 1971, the Rhode Island Historical Society has worked to assemble and publish the extraordinary papers of this remarkable patriot. At the onset of this project, which was cosponsored by The William L. Clement Library at the University of Michigan, funds were provided by the National Historical Publications Commission (now the NHPRC). Additional funds were received through the National Endowment for the Humanities, which contributed to the completion of the first nine volumes of ''The Papers of General Nathaniel Greene.''

The remaining volumes of the Greene Papers will focus on the Revolutionary War in the South. Details about the Southern Campaign are far less well known than those about the War in the North.

At the age of thirty-two, Nathaniel Greene became the youngest General in the Continental Army and later became commander of the Southern Army. In 1781 and 1782, he and his troops defeated the British in the Carolinas and in Georgia. The several volumes that remain to be completed focus on this aspect of our nation's early history. It is a period that, in some important aspects, is not well chronicled, and I believe that completion of the Greene Papers will add significantly to our knowledge of an entire region—the South.

Once again, I applaud Senators CAMPBELL and KOHL for their work on this bill and hope that funds from the National Historical Publications and Records Commission will be available for completion of the Greene Papers.

REGULATORY ACCOUNTING, SECTION 625

Mr. THOMPSON. Mr. President, I want to take this opportunity to express my support for the regulatory accounting provision in Section 625 of the Treasury-Postal Appropriations bill, S. 1023. This continues last year's effort by Senator STEVENS, and as the new Chairman of the Governmental Affairs Committee, I strongly support it. I believe the public has the right to know the benefits and burdens of Federal regulatory programs. And Congress needs this information to better manage the regulatory process. Currently, Federal regulatory programs cost hundreds of billions of dollars per year—$700 billion by some estimates. That comes to several thousand dollars for the average American household—perhaps $7,000 per year. Our regulatory goals are too important, and our resources are too precious, to spend this money unwisely.

This provision is identical to last year's Stevens Amendment. It requires the Office of Management and Budget to provide Congress with a report on: (1) the total annual costs and benefits of Federal regulatory programs; (2) the costs and benefits of rules costing $100 million or more; (3) the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal government; and (4) recommendations to streamline and improve regulatory programs. Before issuing the report in final form, OMB must provide the public with notice and an opportunity to comment on the draft report—its substance, methodologies, and recommendations. In the final report, OMB must summarize the public comments.

Now we know that regulatory accounting is doable, and it does not impose an unjustifiable burden on the agencies. First, OMB has done its first draft report under last year's regulatory accounting provision, and we expect the draft to be published in the Federal Register early next week. While this report is not perfect, it shows that regulatory accounting can be done and can help us better understand the benefits and burdens of regulation. In the past week, the American Enterprise Institute and the Brookings Institution released a primer on how to do regulatory accounting, entitled ''Improving Regulatory Accountability.'' This should be helpful to all of us as OMB revises its draft report.

Estimating the total annual costs and benefits of Federal regulatory programs is like assembling a jigsaw puzzle, and some of the major sections have been assembled. OMB's first draft report will provide a foundation for further improvements that can be proposed during the public comment period. Private studies have estimated the annual costs of regulation, and many of its benefits. These include Bob Hahn's ''Regulatory Reform: What Do the Numbers Tell Us?,'' Tom Hopkins' ''Cost of Regulation,'' and Hahn and Hird's ''The Costs and Benefits of Regulation.'' Moreover, Executive Order 12866, like the preceding Orders for the last 15 years, requires a cost-benefit assessment for significant regulations, which constitute most of the puzzle. The Unfunded Mandates Reform Act also requires detailed cost-benefit analyses of $100 million rules. In addition, the paperwork burden—and I do think it should be addressed—constitutes about 1/3 of the cost puzzle, and paperwork burden hours already are estimated under the Paperwork Reduction Act. Those burdens can easily be monetized by estimating the value of the

time needed to comply with paperwork requirements. In addition, the cost of environmental regulation—about ¼ of the cost puzzle—is estimated in EPA's study, The Cost of a Clean Environment (1990), in annual estimates by the Department of Commerce, and by other sources. Finally, regulatory accounting should not create a resource drain for OMB. OMB should issue guidelines requiring the agencies to compile needed information, just as OMB does in the fiscal budget process.

This regulatory accounting provision requires OMB to do a credible and reliable report on the costs and benefits of Federal regulation. First, subsection 625(a)(1) requires OMB to provide estimates of the ''total annual'' costs and benefits of Federal regulatory programs. This includes those regulatory costs and benefits that will impact the nation during the upcoming fiscal year. These costs and benefits would include impacts from rules issued before this upcoming fiscal year, not just new rules. OMB should do its best to estimate and quantify that figure on the cost side, and to explain what benefits we are getting for the costs of these programs.

When estimating the costs and benefits of ''Federal regulatory programs,'' OMB should use the valuable information already available, and supplement it where needed. Where agencies have or can produce detailed information on the costs and benefits of individual programs, they should make full use of this information. For example, EPA produces reports on the costs of their major environmental programs. Since EPA has program-by-program information, EPA should include such detail in its estimates. Other agencies may not have program-by-program estimates of costs and benefits, nor be capable of producing it, so they may need to rely on less detailed information. I expect a rule of reason will prevail: Where the agencies can produce detail that will be informative for the Congress and the public, they should do so. Where it is extremely burdensome to provide such detail, broader estimates should suffice. Information generated during the public comment period should assist OMB.

Subsection 625(a)(3) requires OMB to assess the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal Government. As many studies show, regulatory impacts go beyond compliance costs. Regulation also creates a drag on real wages, economic growth, and productivity. Complex economic models can quantify these adverse impacts. However, OMB is not mandated to devote vast resources to create such models. Instead, OMB may use available reports, studies, and other relevant information to assess the direct and indirect impacts of Federal rules. In addition, OMB should discuss the serious problems posed by unfunded federal mandates for State, local and tribal governments. OMB should inform Congress of its efforts to address these problems. Ultimately, OMB must provide Congress with a credible accounting statement on the regulatory process. This report should show clearly the benefits and burdens of the regulatory process, and it should help Congress to see which programs are cost-effective and which are wasteful.

We have received a copy of OMB's first draft report prepared under last year's Stevens Amendment. The draft is an important first step, and I agree with many recommendations it provides. For example, I strongly agree that OIRA should lead an effort to raise the use and quality of agency analyses for developing regulations. I also agree that OIRA should develop a database on the costs and benefits of major rules and a system to track the net benefits of all new federal regulations and reforms of existing regulations. This information could be used to determine what improvements to recommend. However, I also think that there are several more areas that would be fruitful for OMB to consider. First, OMB should estimate the total costs of all federal mandates, not just environmental, health, safety and economic regulation. In particular, OMB should estimate the entire costs of paperwork, including from tax collection. Second, OMB should estimate, where feasible, the quantifiable indirect costs and the indirect benefits of regulation. This includes, for example, the costs associated with product bans and marketing limitations, as well as the indirect benefits associated with the preservation of endangered species. Third, OMB should examine the impact of regulation on wages, innovation, employment, and income distribution, including employment impacts on particular sectors of the economy. OMB should leverage the expertise and resources of other agencies, especially the President's Council of Economic Advisors, to do these analyses. Finally, OMB should do more to recommend improvements to the regulatory process, as well as particular programs and regulations. OMB does not have to be omniscient to propose such improvements, and its recommendations do not have to be based on perfect empirical data. Let's also use common sense and work together for the public good.

In closing, I should note that this regulatory accounting provision is founded on broad support. Last year's Stevens amendment was adopted by voice vote. It was modeled on more detailed provisions strongly supported in the 104th Congress—in the Roth bill, S. 291, the Dole-Johnston bill, S. 343, and the Glenn-Chafee bill. Regulatory accounting is widely endorsed—by those who labor under the growing regulatory burden, as well as by those who want to assure the benefits of regulation and to enhance the public's right to know about important governmental decisions.

Mr. CAMPBELL. Mr. President, under a prior unanimous consent, all Members were advised that there would be debates tonight on the amendments that many of them had said they wanted to pursue. Several Senators have said they were going to be here this evening to do that. Unfortunately, we cannot find them. We don't know where they are. We called their offices. They are not down here to debate their amendments. So, with consultation with Senator KOHL, we are prepared to just close us down tonight.

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. SESSIONS. 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. SESSIONS. Mr. President, I ask unanimous consent to proceed for 5 minutes as in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

NATION OF EXPLORERS

Mr. SESSIONS. Mr. President, I rise today to honor the men and women whose work contributes to our nation's great space program. Their contributions have made the first seventeen days of the month of July a high point of public interest and enthusiasm. I would like to share with my colleagues some observations of these contributions.

Earlier this week, I visited NASA's Marshall Space Flight Center in Huntsville, AL, and spent a few minutes talking with three of the astronauts on board of the Space Shuttle Columbia. Members of my staff viewed their launch on July 1 from the Kennedy Space Center in Florida. It was another great launch and another great milestone for Columbia and our shuttle program. In case you missed the landing on CNN, Columbia returned safely to Earth at approximately 7:15 a.m. this morning. While in orbit, the crew conducted world class research in areas which are so critical to our future success in the global economy—biotechnology, materials science, and combustion research. This research is vitally important, and here is why:

It is hard to understate the importance of the biotechnology research when you consider the hundreds of proteins in the human body. We currently understand the structure of about 1 percent of these proteins. If scientists can decipher the exact structure of a protein, they can determine how it works with other proteins to perform a specific function. For example, by studying a protein that is part of a virus, they can learn how that virus attacks plants or animals. To do this, however, scientists must grow near-perfect crystals of that protein. While some can be done quite easily on