

The Senator from New York is recognized.

TERRORISM IN ISRAEL

Mr. D'AMATO. Mr. President, once again, we have seen the ugly, undeniably brutal, horrific actions of terrorism. We have seen the destructive impact of it in Jerusalem so vividly put forth over the TV screens, but it goes well beyond. We are told that 6 people died, over 150 have been injured, and obviously our sympathy goes out to them and to their families and to the people of that region who are held captive by these kinds of terrorist attacks. This is the work of Hamas, the Hamas who are given sanctuary, who operate out of the territories under the direct control of Yasser Arafat.

Now, make no mistake about it: The responsibility for this terrorist act and the previous bombings lies with Mr. Arafat. He, Mr. President, has the power to deter these murderers but does nothing. Indeed, he gives them sanctuary. He gives them sustenance. He gives them comfort.

Let me illustrate by way of this picture. It is said that a picture is worth a thousand words, and in this case I think even more so. The New York Times, Thursday, August 21, and here we see Mr. Arafat greeted by a leader of the Hamas during a meeting in Gaza: "Defying Israel, Arafat embraces Islamic militants."

You cannot have it both ways. You cannot say, on the one hand, that we are the instrumentality of peace, that we want peace, we are working for peace, and on the other hand be embracing the leaders of the terrorist organizations that are sworn to destroy Israel, the Jewish people and any prospects for peace.

That is indefensible. And so while there are those who claim that this is an internal security problem for Israel, I believe it is quite clear, given the responsibilities and given the power and given the economic wherewithal that we have provided, the United States, to Yasser Arafat, whose police force has failed, whose security services have, if anything, given sanctuary and protection to Hamas, it is about time we held him accountable for these acts. Instead of providing the security and loaning himself to the peace process, he embraces these murderers as we see so clearly. He coddles them, he provides them with sanctuary.

Mr. President, terrorism will not end if this is permitted.

I believe, and I have said before—and I see my colleague in the Chamber—that it may come time—and the Senator from Connecticut [Mr. LIEBERMAN] has raised this issue—for this country to look very closely at the moneys, the hundreds of millions of dollars annually that we send to Mr. Arafat under the umbrella, the cloak, of peace.

When those dollars are not being used to provide the kind of security to bring about a peace process but are aid-

ing and abetting, and, indeed, we have him embracing terrorist leaders, I think we have to at the very least look at whether this should continue. I believe that we have an obligation to speak up and say, we hold you, Mr. Arafat, responsible, and it is time to condemn him publicly for the carnage and the destruction of human life that has taken place today and in the past.

Mr. President, I see my friends and colleagues, the Senators from Connecticut and New Jersey, in the Chamber, and I know that they feel strongly about this issue.

I yield my remaining time to the Senator from Connecticut and the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank my friend and colleague from New York for yielding and for his statement.

Mr. President, as a result of a terrorist act, blood has been spilled in the streets of Israel as its citizens go about the most normal day-to-day tasks, walking, shopping. Lives again have been lost to the terrorist hand. It is a very sad and dispiriting moment, not just, of course, for those who have suffered in this terrorist attack and for the families and friends who pray now that the lives of the wounded will be saved. It is also a sad and dispiriting day for all of us who hope for the continuation of the peace process in the Middle East, begun in Oslo, ratified at a historic, dramatic, hopeful signing on the lawn of the White House on September 13, 1993 by the late Prime Minister Rabin and Chairman Arafat. The agreement, the understanding, the exchange made in the declaration of principles in the Oslo accord was complicated in one sense, but simple in another. It was an exchange in which the Israeli Government would yield land in recognition of a Palestinian self-governing authority in exchange for the Palestinians—and particularly their eventually elected leadership, Chairman Arafat and others—giving security to the people of Israel; freedom from fear of the kind of terrorist acts that have been committed again today in Israel.

Mr. President, I know the Prime Minister of Israel, Benjamin Netanyahu, is controversial in many areas of this country, and there are different acts that he has carried out as a leader that some challenge and question. But it seems to me, if you look at the agreement made in the Oslo accords and you look at what was required of Israel, Prime Minister Netanyahu, since he has been Prime Minister, has kept those promises made by Prime Minister Rabin. The same cannot be said of Chairman Arafat.

It is not just, although it is significant, the failure, as promised in the Oslo accord, to remove from the Palestinian Charter these clauses which threaten the destruction of the State of Israel. It is not just, though of course it is tragic and painful, the ter-

rorist acts that continue. But it is the tone, it is the context of what is happening. The Israeli intelligence gathers evidence, presents it to Mr. Arafat to show him, a month or so ago, that the person he has appointed as the chief of the Palestinian Authority police has been involved in planning terrorist acts. How would we feel if we had evidence from intelligence showing that the minister of defense of Russia, with whom we were negotiating an arms control agreement, had been involved in planning terrorist acts against the United States? The dreadful moment, after the bombing in Israel, in Jerusalem, a few months ago, Chairman Arafat, instead of taking action to reassure the fear of average Israelis about their security, holds a conference with Hamas and other terrorist groups and embraces and kisses one of the leaders of that group. Again, the chief of police of the Palestinian Authority at one point declares with some pride that more than 100 members of Hamas are members of the Palestinian Authority police.

The effect of these actions leading, again, to this tragic terrorist act today, is not just to affect the political leadership of Israel. Israel is a democracy. That is why Mr. Netanyahu is Prime Minister. The effect of these acts that I have described is to undercut severely the trust, the confidence, the hope of the people of Israel for peace. Because they don't trust the Palestinian Authority and Mr. Arafat, based on these various acts I have described and Senator D'AMATO has described, to carry out the promises in the Oslo accords to provide security and peace.

The late Yitzhak Rabin, Prime Minister of Israel, was a great leader, a great soldier of the peace, so-called peace of the brave. But I would say today, if Prime Minister Rabin was alive and was still Prime Minister today, he could not accept the continuation of the peace process under the status quo, because the Palestinians have not kept their part of the bargain. So, I fully support the statements made by the Senator from New York. I am grateful the Secretary of State is underway to the Middle East. It will take a courageous and bold action. But the main point here is that Chairman Arafat has to understand—

The PRESIDING OFFICER (Ms. SNOWE). The time for morning business is expired.

Mr. LIEBERMAN. I ask unanimous consent I be given 2 additional minutes.

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

Mr. D'AMATO. Madam President, might I ask that we have an additional—up to 15 minutes in morning business to be able to speak on this issue, because I know there are colleagues, my colleague from New Jersey and colleague from California, who would like to speak to this.

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

Mr. D'AMATO. I thank the Chair.

Mr. LIEBERMAN. Madam President, what I am saying here is that this process—for the first time since September 1993 I fear that the peace process in the Middle East is unraveling. And that would be a terrible result for the people on both sides in the Middle East. The only way it can be brought back on track is for Chairman Arafat to take some unequivocal and strong actions to make clear that he is an enemy of terrorism. That will probably include arresting suspected terrorists. That will include a direct break of this embrace with Hamas. It will include a dedication to destroying the terrorist infrastructure that is part of Hamas. If that does not happen, the process will not go forward. Because the people of Israel—leave aside the Government—the people of Israel will not have the confidence to take it forward.

Here our options are limited. The Secretary of State and her designees are there to try to bring some sense to the parties on both sides. But, insofar as we have options, it suffices to say that in the climate and the reality that has occurred, as Senator D'AMATO has indicated, it seems to me there is very little chance that this Congress would appropriate any funds for the Palestinian Authority. It will make it difficult to renew the Middle East Peace Facilitation Act, which allowed the PLO, the Palestinian Authority, to have an office here in Washington which was closed in August because we didn't renew it.

These are serious consequences which go to the heart of the process and to the hopes of people, on the Palestinian and Israeli sides, for a better future than the war-torn past. I think we are all here appealing to Chairman Arafat, who remains the elected chairman, to seize this moment, show his leadership, or forever be seen in the eyes of history as the man who destroyed the hopes for peace in the Middle East.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, if I might, I don't know, is the time reserved just generally?

Mr. D'AMATO. No. I have asked that we be permitted to speak on this issue for up to 15 minutes. My colleagues have yet to speak. So use whatever time is necessary.

Mr. LAUTENBERG. I thank the Senator from New York. I commend him for his ever-present concern about the well-being of our friends around the world, Israel in this case, and his staunch defense of freedom and democracy against terrorism. I thank him for his initiative today.

It is heartbreaking for all of us, when we see innocent people carried away in stretchers, and the mayhem and the destruction that terrorists visited upon Jerusalem this day. It is not a unique

happening. It has gone on for too long. The attempt to suggest that this is a way to obtain peace, or to coerce friends who want democratic societies throughout the Middle East, kind of modeled on what Israel has done—it is a democratic society, as my friend and colleague from Connecticut said. They elected a Prime Minister. It is not for us to agree or disagree. It is irrelevant. The fact of the matter is, it is a democratic society. And what we try to do is encourage the Palestinian Authority to take democratic leadership and represent law and order and defend against terrorism. But we have been grossly disappointed of late.

I was in Israel 2 years ago in April when a bus was exploded by a terrorist. On that bus was a young woman from New Jersey whose family I now know very well. She died in a few days; 21 years old, an innocent victim. She wasn't there trying to hurt anybody. She was there because she was interested in studying Hebrew and the history of the Jewish people. Sometime later another young woman, also from New Jersey, was killed in a terrorist attack in Tel Aviv—just a random explosion, someone willing to take his life, convinced that he would be rewarded for killing himself and killing others.

The one thing we have to insist on in this country is we should not talk to anybody who, in addition to a formal relationship with us, supports terrorism. Syria by way of example. We have an ambassador there. They have representation there. But they are on a list of countries that support terrorism. And we ought to say listen, if that is the way you are going to conduct your life, in terms of the region that you exist in, that you want to encourage terrorism on the one hand and be a friend of this great democracy on the other, it's no go. We ought to say that to countries all around the area. If you in any way—even those that we have established some friendships with—if you in any way encourage or inflame the fire of violence and terrorism, our relationship is going to change. We cannot sit by and simply pour our hearts out and say, "Isn't it sad? Somebody lost a son, somebody lost a daughter, mother, father, sister." It has to be more overt than that.

We have seen what happens with terrorism. We have seen it in our own country. It shocked everybody, in Oklahoma, the Port Authority building in New York, the Trade Center. It is frightening. It is a disgusting, revolting act. Think of it, that someone feels justified, for political or personal reasons, to take others' lives in the name of a cause. We ought not let it be misunderstood, that we will never, never, never accept a handshake on one hand from someone who is going to support terrorism with the other hand.

Mr. D'AMATO. I wonder if my colleague might yield for an observation?

Mr. LAUTENBERG. Sure.

Mr. D'AMATO. Do you think that we should consider very seriously going

forward with a cutoff of funding to Yasser Arafat and the Palestinians, unless we see some—I am not saying tomorrow or the next day—but unless we see some concerted action? I think we have to begin to let him know. I am wondering what my colleague thinks about that—my colleagues think about that? Because, it seems to me, we say one thing and we do the other. We are permitting, I think, ourselves to look rather foolish in the continued funding, or permitting funding to continue to flow.

Mr. LAUTENBERG. The question my colleague from New York State raises is a very complex one. Because we want to continue a peace process. I spent some time in Ireland. I visited in the north. We made investments in that society, in the northern section, so that people could elevate their standard of living and reduce some of the anger and the rage. And we continued. I was pleased to see, in the last couple of days, discussions taking place that include the Sinn Fein, with some Members of the Senate and so forth, to try to say, "Stop the killing, stop the killing."

I met with people in New Jersey, and we disagreed on the tactic that was being used, the violence in the North, to try to bring about the kind of equality that all of us like to see for our families and our friends. Thusly, I am reluctant to say just offhand that we ought to simply cut off the relationship.

I have faith that the Palestinian people also want peace. I don't think that they, any more than anyone else, likes the prospect of a son or a daughter dying in a conflict. There are those madmen—we have them in our society; we saw it in Oklahoma—people who are part of our culture who do something that is so outrageous. We see it in violence around the country all too frequently. We just saw it in New Hampshire.

I will say this, though, that I think the Senator confirms what I was talking about, and that is, we have to, as they say, tighten the screws. We cannot have a Hamas operating under one disguise in one place doing a good deed here and there—and I don't care how many good deeds they do—if the alternative is to have another branch of that organization that kills people, those who might disagree with them, while they tend to the needs of others who are indigent medically, troubled, et cetera.

So we have to make sure that if you want to be a friend of the United States, if you want us to work with you in any continued way of support for democracy, for economic betterment, that you have to leave out any assistance or any encouragement for terrorism, and that means reacting to terrorist acts by saying, "We condemn it and we condemn those who did it," and not hedge what they are saying, not permit them to say, "Well, we don't like terrorism, but, in this case, maybe"—baloney.

What we say is, if anybody participates in any support of terrorism, they can't be friends of ours and they can't derive any benefit from it.

I will relinquish the floor with a word of encouragement for Secretary Albright to continue her effort, for all the peacemakers to continue their efforts, to try to get by this but at the same time to make certain that those who commit terrorist deeds know that they cannot sit at the table at the same time that the peacemakers do. I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Madam President, if I may, I would like to continue along the lines of some of my colleagues' comments with some of my own, informal as they may be, about what happened this morning. I find myself very much thinking along the lines of the Senators from New York, Connecticut and New Jersey.

I watched the CNN coverage from Jerusalem this morning, and my heart very much went into my throat. I wondered how much can the people of this small nation endure. I looked at the faces on the streets, and I saw a kind of brokenness, a spirit diminished, a hurt that was turning rapidly to anger.

I have been one on the Foreign Relations Committee who has been a supporter of the Middle East Peace Facilitation Act. That act expired prior to our recess. It was not renewed. My understanding is that as a result the Palestinian office in this area has closed, and I believe it should remain closed, and that the aid specified through the Middle East Peace Facilitation Act, which we call MEPFA, has ceased. I believe that aid should cease. I believe that the Middle East Peace Facilitation Act at this point in time should not be renewed and, as a member of the Foreign Relations Committee, it is going to take a great deal to convince me to go in any other direction.

The last terrorist attack before this was July 30. Since then, there has been an aborted attack. Today, we saw three suicide bombers go into a busy pedestrian mall and blow themselves up in a kind of fanaticism that certainly is not understood in Western countries or really any peace-loving country. It is not the act of peace-loving people to blow themselves up and blow up anyone that happens to be around them.

I submit that the only reason these bombs are not blowing up inside rooms, businesses, and convention halls—and causing even more casualties—is that in Israeli, everyone is searched when they enter public buildings. This is a terrible way for people to have to live. At some point it almost begins to approach the atrocity of a concentration camp if people must live this way.

My own view is that it takes two parties to pursue peace, and both parties must want peace. I had thought up to this point that Yasser Arafat wants

peace. I must tell this body honestly, I no longer believe that to be the case. I watched his kiss with a Hamas leader, and I know that when public leaders engage in these kinds of symbolic gestures, it sets forth signals, signals to every Hamas terrorist everywhere, that their actions are, to some extent, condoned by the chairman of the Palestinian Authority, the head of that authority. That is a terrible signal to send if you are going to be seriously engaged in a peace process.

So I have come to believe that that authority at this stage does not want peace. I have come to believe it when I read that members of the police department were actually engaged in complicity with terrorists to allow a terrorist attack to take place.

I believe the following: First, that if there is ever a time for the Arab world to come forward and take a united and strong position against Hamas and Hezbollah and any other organization that would carry out these acts, it is now. If there ever was a time for the Arab world to begin to press for the arrest, for the destruction of these terrorist organizations, it is now. Outside of concerted action by the Arab world, I don't see how a peace process can go ahead with any progress whatsoever.

Second, I believe we should not renew the Middle East Peace Facilitation Act. I believe that all funding should cease at this point. And I must finally say that I personally have very mixed feelings about Secretary Albright's trip to the Middle East. Yes, I believe we should resist terrorism. I am not sure that going to the Middle East at this point in time sends the signal that we do, indeed, resist terrorism. It seems to me that if both parties, Israel and the Palestinians, want to discuss peace and the United States is going to carry out our role as an honest broker, this peace can be brokered elsewhere than on Israeli soil at this point in time.

When three people move forward to kill themselves and kill others, I only can believe that other attacks are going to follow. If I am any judge at all of the faces, the Israeli faces I saw on television this morning, I would have to say that peace is having a price that free people have a great deal of difficulty in paying, because it means your child can't go to school, you can't shop, you can't walk down a street. You become a hostage, in another sense.

So I make these comments with very deep concern as one who has tried to work on resolutions passed by this body so that they weren't inflammatory to the peace process, so that Jerusalem, as an issue, could be handled in a way that was not inflammatory, so that the Middle East Peace Facilitation Act could go ahead. But as one Member of this Senate, I am now at the point where I believe that without a major commitment from the Arab world, from Mr. Arafat and from his government, peace is at the weakest point that I have ever seen since the peace process has begun.

I thank the Chair. I yield the floor. I thank the Senator from New York for his comments.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. The Chair has been gracious in extending morning business time, but I would like to make one observation, if I might, and ask that the time be continued.

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

Mr. D'AMATO. Madam President, I think that this picture and the caption describes it. Here is Yasser Arafat embracing a leader of terrorism, a killer, the leader of Hamas. The caption reads: "Defying Israel, Arafat embraces Islamic militants." It is better titled: "Defying peace"—defying peace. It is better titled "Embracing terrorists," because that is exactly what he is doing.

My colleague from California, I think, described it quite correctly. It is not good enough to speak about peace and yet to give sanctuary, safe haven and tangible, visible support to those who bring about these horrific acts. That is what Mr. Arafat has done. Generally, he has done it under the cloak of speaking in a language and in places and at times where the world does not hear it, but that selected groups hear his words. Here he has done it in the way that the camera has captured him and his words in giving support and comfort to those who bring terror to the streets and to the homes of innocent civilians.

Mrs. BOXER. Mr. President, once again innocent Israeli civilians have been murdered by the enemies of the peace process. I rise today to strongly condemn this cowardly act of violence and reaffirm my support for the people of Israel and for the people who want peace throughout the Middle East.

There is no doubt that today's suicide bombings were carefully timed to inflict the greatest number of civilian casualties. Three explosions in quick succession rocked the Ben Yehuda pedestrian mall during the busiest time of day. These bombs killed at least 6 and injured nearly 200 people.

As expected, the terrorist group Hamas has claimed responsibility for this deplorable act. They are responsible for the blood and carnage in the streets of Jerusalem, and they must answer to the grieving parents and families of the victims.

Last month, I stood before this body to urge Yasser Arafat and the Palestinian Authority to keep their promise and crack down on terrorism. As evidenced by his complete inaction since the July 30 bombing, Mr. Arafat has not done anything to join the fight against terrorism. If the peace process is to move forward, he must find the courage to confront those who would victimize innocents to undermine peace in the Middle East.

Secretary Madeleine Albright is scheduled to visit the Middle East next

week, and there are many who believe these bombings were intended to disrupt her visit. Mr. President, this deliberate act of violence against Israel will not deter us in any way from moving forward with the peace process—indeed, it will only strengthen our resolve. It is critical that America continue to play a major role in the peace process. We will not allow terrorists to set the agenda for the peace process. We will not allow cowards to strangle the prospects for peace in the Middle East.

In these difficult times, the need for strong American leadership becomes ever clearer. That is why I am very pleased that Secretary Albright has decided to proceed with her planned visit to the Middle East. It is my profound hope that her efforts can jump start the ailing peace process.

I believe Mr. Arafat and the Palestinian Authority must both agree to fully engage in the peace process and take dramatic steps to halt these terrorist attacks if they wish to continue to receive financial assistance from the United States. Unless such action is taken in the immediate future, I will steadfastly support cutting any and all aid to the Palestinian Authority. It is truly unconscionable that American money, given in good faith, be used to aid those who would conspire with terrorists.

Israel's greatest responsibility is to protect her citizens. Mr. Arafat must understand that a true peace can be achieved only when Israeli citizens are secure in their homes, in their places of worship, and on their streets. They deserve no less.

I wish to express my sincere condolences to the Israeli people on this senseless tragedy.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1079

(Purpose: To increase the amounts made available to carry out title III of the Older Americans Act of 1965)

Mr. D'AMATO. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are laid aside. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO] proposes an amendment numbered 1079.

Mr. D'AMATO. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 45, line 13, strike "\$854,000" and insert "\$854,074,000 (and an additional amount

of \$40,000,000 that shall be used to carry out title III of such Act)".

On page 85, line 19, strike "\$30,500,000" and insert "\$70,500,000".

Mr. D'AMATO. Madam President, I thank Chairman SPECTER and the ranking minority member, Senator HARKIN, for their incredible stewardship and leadership in developing the 1998 Labor, Health and Human Services, Education appropriations bill. It is one of the most difficult bills that we have to deal with because the needs are so great; the needs for increased medical research, for research in all of the areas, whether it be for breast cancer, whether it be for kidney programs, whether it be for the programs for AIDS research.

Encompassed in this is how do we share the resources which are so limited? So it really comes down to, unfortunately, choices, of not giving sufficient funding to some of the most critically important areas affecting our health, affecting infants, and affecting all of our populations.

But there is another population that continues to grow, a population that has not, unfortunately, had their needs met, too. That is our senior citizens. That is why I rise today, on behalf of America's elderly citizens, to increase the title III of the Older Americans Act. I offer an amendment that would increase it by \$40 million, for a total of \$893 million. The current Older Americans Act funding includes a 2-percent increase. That is 15 percent. That is a cost-of-living increase over last year's allocation.

Most people would say, "Well, that's not bad in these times of austerity." I agree. But I think we have to look at the problem. The primary goal of these community services is to keep millions—millions—of frail elderly people living independent in their own homes, in their own apartments, for as long as possible, allowing them to avoid unnecessary institutionalization and saving billions of dollars, not to mention improving their quality of life.

So the Older Americans Act provides a whole variety of programs, home and community-based services to the elderly, including congregate and home-delivered meals—Meals on Wheels; we have heard of that—transportation so that seniors do not live as shut-ins so they have an opportunity to come together with friends and neighbors, senior employment, senior centers, adult day care and other services.

Three of these services account for more than two-thirds of the title III funding: Congregate meals, that is \$250 million; home-delivered meals, \$134 million; and transportation, \$63 million. No one can deny the incredible needs and the fact that, if anything, they grow and grow.

The face of America's population, Mr. President, is changing. It is growing older. Believe it or not, those elderly people who are 85 years of age or older are growing faster than any others. They are growing at a faster rate—85

and older. So when we talk about the needs of the frail elderly and keeping them from being institutionalized, this is becoming an increasing problem.

The elderly population over age 85 will increase by 36 percent by the year 2005. Think of that; an incredible 36 percent. That is going to call for increased services, increases well beyond what we can imagine and envision today. And unless we do, we are talking about a vulnerable population. They will have no other alternatives in many cases than to be institutionalized. I suggest not only the quality of life of the seniors then becomes degraded to the extent that we do not even like to think about it, but the cost factors will become incalculable.

The typical Older Americans Act participant, Mr. President, to get a profile of who is that person, is a woman over 75, living on a very limited fixed income, who needs daily help in preparing meals or weekly transportation to a doctor.

Thirty-nine percent of the Older Americans Act participants have incomes at or below the poverty level.

Among States, the poverty rates for participants range from 17.2 to 86.9 percent. Twelve States report at least half of their participants have incomes at or below the poverty threshold.

Mr. President, why is a \$40 million increase so desperately needed? Well, despite the steady funding increases, the effect of inflation and the tremendous population growth have diminished the actual impact of the annual appropriations increases. Over the past 15 years, there has been a 40-percent loss in the program's capacity to meet the needs of older citizens due to a combination of the following factors: increased costs due to inflation, serving increased numbers of frail elderly who need more, and reduced Federal funding.

If inflation and the increasing age population were accounted for from the OAA's start in 1973, we would have had to double the funding. So while the request for doubling the funding level in 1 year is unrealistic, certainly—the request that we put forth at 5 percent, or \$40 million, is one that I believe is extremely conservative and one that I hope we can meet.

Where do we find the funds? Let me first say the committee has done an excellent job. It has identified funding, an increased funding of \$15 million, by reducing the general administrative costs, which amount to about \$1 billion, the bureaucracy, the overhead for administering these programs, for the bureaucrats here in Washington and in other areas. I believe that by a further reduction by 5 percent, we can add \$40 million. That is a very modest reduction as it relates to overhead. And that is what we intend to do.

So what we are talking about is making more resources available for people, the frail elderly, people who need it, a population that averages 75 years of age, a population that continues to