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Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, all that we have and are is the result of Your goodness. We dedicate this day to counting our blessings and naming them one by one all through the hours of this day. We praise You for the gift of life. You have given us intellect to know You, emotions to praise You, and determination to do Your will. You have blessed us with loved ones, families, and friends. And what a privilege it is to live in this free land of opportunity. Today, help us recount the privileges that we have as citizens and leaders of this Nation.

Father, we also want to praise You for the courage and the strength You provide to face the challenges You give us as individuals and as a Senate. Thank You for problems that define the next steps of what You want us to do. You have shown us that problems are only the flip side of an undiscovered answer. Our problems give us an opportunity to discover Your power.

With everything within us, we praise, thank, and glorify You, our God, Savior, Lord, Provider, and Friend. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Nebraska, Mr. HAGEL, is recognized.

SCHEDULE

Mr. HAGEL. Mr. President, on behalf of the leader I wish to announce that today the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume consideration of the pending disaster relief amendment to the Agriculture Appropriations Act. It is hoped that the Senate will be able to dispose of those amendments today at a reasonable hour. As a reminder, the Senate will recess today from 12:30 to 2:15 so that the weekly party conferences can meet. As a further reminder, a cloture motion on the dairy compact amendment was filed on Monday. Therefore, under the provisions of rule XXII, that cloture vote will take place 1 hour after the Senate convenes tomorrow, unless an agreement is made by the two leaders.

Prior to the August recess, it is the intention of the leader to complete action on the Agriculture appropriations bill, the Interior appropriations bill, and it is also hoped that the conference report to the tax reconciliation bill will be available for consideration.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. Senators are permitted to speak therein for up to 5 minutes each.

Under the previous order, the Senator from Nebraska or his designee is recognized to speak for up to 30 minutes.

Mr. HAGEL. Mr. President, I yield such time as I may require.

AGRICULTURE APPROPRIATIONS

Mr. HAGEL. Mr. President, over the weekend in Nebraska, I met with a number of agricultural producers about the current prices in American agriculture. Over the last 3 weeks, my staff and I have spoken to over 100 agricultural producers in the State of Nebraska—hog producers, cattle producers, grain producers; and then the second rim, the outer rim representing the agricultural community—bankers, implement dealers, automobile dealers. All had a consistent theme as to what we must do to direct our attention and our effort to dealing with this crisis in America.

As we begin debate today on the fiscal year 2000 Agriculture appropriations bill and on the emergency appropriation for agriculture, we should keep in mind some important dynamics about American agriculture. Leaders of both parties in the Senate committed last week to including in the fiscal year 2000 Agriculture appropriations bill an emergency funding measure to provide the short-term assistance needed for our agricultural producers, and that assistance should include increasing the market transition payments—I am confident we will see legislation to do that—lifting the caps on loan deficiency payments, and additional funding for crop insurance. I know that part of Freedom to Farm in 1996 was the commitment to America's agricultural producers to, in fact, reform crop insurance. We are on our way in that area, but we have not yet arrived at that reform.

Crop insurance is a very key dynamic to the future of American agriculture. The emergency appropriations bill should include relief for livestock producers, and I am confident we will see that in both of the bills that will be presented today, plus other emergency measures.

As we address this immediate crisis, we must continue to work on the long-term priorities. The perspective is

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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clear. We have an immediate problem, and we will address that immediate problem. But let us not lose sight of the long-term priorities for American agriculture.

To do that we must focus on the demand side of the equation. When I talk about the demand side of the equation, I am talking about trade. I am talking about trade policies that encourage market development and the opening of new markets for our producers. We must continue to work for trade and sanctions reform—another critical component of the 1996 farm bill. I regret to say that Congress and the President have not done a very good job in the area of trade and sanctions reform. We are working on it, but we are a long way from being where we should be.

For example, it is estimated that current unilateral sanctions cost the U.S. economy more than \$20 billion each year. Who do we penalize? Who do we hurt? We hurt ourselves. We must stop using agricultural policy as a foreign policy weapon. Instead, we must extend a strong message to our customers and competitors around the world that U.S. agricultural producers are consistent and reliable suppliers of quality and plentiful agricultural products.

We need fast track authority for the President in order to reach trade agreements that will open more markets to our agricultural goods and allow our producers to compete on a level playing field.

Today we stand in a situation that is unprecedented in the last 25 years. This President of the United States has been without fast track negotiating authority since 1994. Obviously, there has been a lack of focus on priority on this issue. Every day the President does not have the authority to negotiate trade treaties and arrangements and deals, the European Union is doing it; the South American trade organization Mercosur is doing it; others are doing it. We are not. Do we not understand that we will pay a very significant price, a high price, for being moved out of those markets because we have not placed trade as a high priority? Fast track authority is certainly a very clear example.

We must work to break down protectionist barriers in the next round of the World Trade Organization negotiations being held this fall in Seattle and strongly oppose the European Union's delay on lifting the ban on hormone-enhanced beef.

We should work with China to encourage its entrance into the WTO. Do we really not understand that it is surely in the best interests of America, stability in the world, and new markets for all American products to have China in the World Trade Organization, not cutting corners but complying with all the necessary criteria to be a member of the WTO? It is in our best interests to continue to bring China into responsible organizations where China

has more responsibility and accountability and opens a market of 1.3 billion people. We need more focus in that effort.

The President must make trade a top priority. He must make trade a top priority and then lead. It is not good enough to say our trade ambassador will negotiate. The President sets the agenda; the President sets the priority. Presidents lead. The next President of the United States is going to be consumed with an immense series of challenges. The Congress needs to place a higher priority on working in these challenges.

We must fulfill our commitment to American agriculture for tax and regulatory reform. Our national tax policy should encourage long-term investment in production agriculture that helps our current producers stay in business.

We must reduce Government regulation and cut taxes. There are a number of things we can do, that we promised we would do in 1996:

Eliminate the estate tax. Our family farmers should not have to sell the family farm to pay taxes in order to keep the farm going. That cuts right to the core for our future and for the next generation of farmers;

Provide capital gains tax relief on the sale of the farmland by our producers, expanding on the exclusion given to homeowners in 1997. Eventually, we should abolish capital gains taxes. The Chairman of the Federal Reserve Board, Alan Greenspan, affirmed his view on that before the Senate Banking Committee;

Create tax-deferred farm and ranch risk management accounts to help ease fluctuations in income, thereby giving our producers another management tool;

Ensure that farmers and ranchers receive the full benefits of the permanent income-averaging provisions and not lose them because of the alternative minimum tax;

Obviously, we must eliminate the marriage penalty and provide 100 percent deductibility for health insurance premiums.

These are real; these connect; they are relevant. They will help American agriculture; they will help our country.

We must ease the regulatory burdens on our agricultural producers. The USDA, the EPA, and other regulatory agencies hit farmers with dozens of different regulations that tie up their land, they tie up their time, they tie up their capital, and reduce their efficiency and reduce their profits. To what end? What is the cost-benefit ratio?

Let's take a real-life example. Two of our biggest competitors, Brazil and Argentina, have been gaining in their share of the world's commodity trade, especially in corn and wheat. The Brazilians and the Argentines are able to make a profit on these crops at prices lower than production costs in the United States.

Why? There are many reasons we can measure. I will state a couple. The Brazilians and Argentines pay much lower taxes than our American agricultural producers pay. Second, they have fewer Government regulations to contend with. Their Government does not place added burdens on them, not only as producers but as marketers. Their Government actually helps. Their Government doesn't stand in the way. We need to do the same thing.

In 1996, we got the Federal Government out of the farmers' fields. Now we need to get the Federal Government off the farmers' backs.

In the short term, we must swiftly conclude action on an agricultural appropriations bill that will provide emergency relief to our commodity and our livestock producers. Over the long term, it is good public policy, domestically and internationally, to provide for abundant and inexpensive food. We can support that policy by adopting prudent Government policies, Government policies such as trade policies that encourage market development, policies which create international financial stability.

Here is a very clear example of how the globe connects, how all 6 billion people in the world connect. Stability is the base from which we work to help develop emerging democracies, market economies, opening new opportunities and new markets. All of our policies are connected—national defense, foreign policy, trade policy—and "ground" all of our other policies with an anchor of stability so that the people of the world will have the hope that they must have to have a better world and a better life. It gives all people of the world an opportunity to build bridges to each other.

We need tax policies which encourage long-term investments in production agriculture to help sustain our current producers. These are the most important ways we can help our farmers and our consumers, our taxpayers, and our international trade partners.

In the short term, we need to share the risks—yes, share the risks—that from time to time will adversely impact farming, such as has been the case for the last 2 years. We cannot sustain a long-term policy of providing abundant and inexpensive food without occasionally producing more than the market will absorb in the short term. We cannot control the weather or international markets. We need to factor in those realities of farming and not act shocked every time this happens.

Most agricultural producers I have spoken to, not just in the last month but in the last 4 years, 5 years, 10 years, do not believe that the United States should retreat to the 1980 set-aside, higher price support policies which they believe only extended and deepened problems of the 1980s and certainly would extend and deepen the current crisis. I agree.

To support production agriculture and sustain the producer base which

has contributed so much to our economic stability and prosperity, we need to provide short-term support to our agricultural producers now.

Congress needs to pass a realistic and a responsible emergency agriculture bill. The Congress must act this week.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE REGULATORY OPENNESS AND FAIRNESS ACT

Mr. HAGEL. Mr. President, last week, 20 of my colleagues of both parties joined me in introducing the Regulatory Openness and Fairness Act, a bill to amend the Food Quality Protection Act to ensure that the EPA used sound science in its evaluation of pesticide uses. This legislation is particularly relevant given yesterday's announcement by the EPA that they will ban two important pesticides.

Let me begin by saying that a safe food supply is, of course, in everyone's best interests. We all want to ensure that our children and American consumers continue to have access to abundant, safe agricultural products. It is in the best interests of consumers and agricultural producers that decisions on pesticide uses are based on sound scientific analysis—sound scientific analysis. That was the intent of the law which passed, with strong bipartisan support, 3 years ago. In 1996, Congress passed the Food Quality Protection Act to ensure the safety of our Nation's food supply. It passed with the overwhelming support of the agricultural industry and was seen as a much-needed modernization of laws governing all pesticide use.

As written and signed by the President, the FQPA requires the EPA to reassess all of the Nation's pesticides, using more data, taking more factors into account, and allowing greater margins of safety. The FQPA also requires that these standards be based on hard data and sound science, not arbitrary assumptions or computer models.

Under the FQPA, next week the EPA faces its first deadline for announcing its evaluation of some 3,000 uses of pesticides. As EPA prepares for its deadline, it has not fully used the sound scientific analysis called for in the 1996 FQPA bill. Instead, the EPA has relied on theoretical computer models and worst case scenarios in many of these cases. The EPA frequently prefers this approach, partly as a result of not having the resources or the time to focus. But this is not what Congress intended in 1996. We did not intend for farmers to lose the use of safe and effective pesticides. We did not intend for public

health officials dealing with pest control issues to lose the products that help them protect the public.

The bill my colleagues and I have introduced, the Regulatory Openness and Fairness Act, makes sure that EPA follows what was the intent of Congress 3 years ago. It will lessen the chance that safe and effective pesticides would be removed from the market without scientific justification; it provides a clear and predictable regulatory process based on scientific data; it streamlines the process for evaluating new pesticides; and it provides Congress with facts on how the act, as applied by the EPA, affects agriculture exports.

We cannot forget that crop protection allows our farmers to produce the grains, the fruits, and the vegetables that feed not just our Nation but the world. Unnecessary regulations have a dampening effect on the engine that has fueled America's economic growth. That engine is called productivity. If the FQPA is not implemented fully and fairly, based on sound science, we will unnecessarily place our agricultural producers at a very great competitive disadvantage in world markets. Production prices will increase, productivity will decrease, and consequently our farmers will see their exports decline. This is hardly the time to be placing extra, unnecessary burdens on America's farmers.

This bill is good for both consumers and agricultural producers. Consumers will continue to have safe, affordable, and abundant agricultural goods and farmers will continue to have the tools they need to produce safe, quality food products and to compete in the world market.

In Nebraska, we call that common sense. I am proud to join my 20 colleagues in a strong bipartisan effort to introduce the Regulatory Fairness and Openness Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I ask unanimous consent to be recognized in morning business.

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

LITTLE CONGRESSIONAL ACCOMPLISHMENT

Mr. DURBIN. Mr. President, we are coming to the end of one segment of this Congress. We are about to break for an August recess which is an opportunity for Members to be back in their States and with their families. I am looking forward to that, as I am sure are many of my colleagues. But it is a good time for us to reflect on what we have done and what we have failed to do in the last several months.

Each of us is elected with a responsibility to come to Washington and try to respond to some of the challenges facing families and individuals and businesses across America. I am sad to report as of this moment we have little

to show for our efforts this year. The Columbine shooting, which focused the attention of America on violence in our schools, rallied the Senate in a rare bipartisan fashion to deal with violence in schools. We passed the Juvenile Justice Act, which had sensible gun control provisions contained in it, and tried as well to attack this culture of violence which is becoming more dominant in our society.

If you will recall, it was a tie vote, 50-50. The tie was broken by Vice President GORE, the bill passed, it went over to the House, and was hopelessly mired down by the efforts of the gun lobby because of their resistance to any changes in gun control. So we are here today, the first part of August, with literally nothing to show for this whole issue of school safety. By the time we return, our kids will be back in school, another school year will have started, and this Congress will have failed to react to a problem that is on everyone's mind.

The second issue, one that continues to haunt us, is the issue of the Patients' Bill of Rights. Yesterday, I was in Bloomington, IL, and met with a group of doctors and nurses at hospitals to talk about what is happening with health insurance, how families feel so helpless when health insurance clerks are making decisions that doctors should make. When we tried to address it on the floor, sadly, we were defeated by the health insurance lobby, a lobby which continues to spend millions of dollars to overcome our efforts on behalf of patients and families. That, again, is another issue with which we failed to deal.

Finally, of course, we will be talking a lot this week about the tax break as well as the whole question of the budget. There are many of us who think the action by the Senate last week was not a very wise one. We have a chance now, if our economy recovers and continues to grow, to generate a surplus. Then we have to decide what to do with it. First and foremost, I think we should do no harm to this economy. The economy moves forward, creating jobs and businesses and new housing starts. Yet Alan Greenspan, the Federal Reserve Chairman, warns Congress on a weekly basis not to pass the Republican tax cut package, a \$800 billion tax cut primarily for wealthy individuals, which could fuel the fires of inflation and raise interest rates, jeopardizing home mortgages, business loans, and family farmers, who are trying to stay in business.

First and foremost, we ought to be cautioned that Alan Greenspan, who has no partisan interest in whose ox is gored in this battle, has warned us do not do it. Second, even when I go home and speak to the most conservative Republicans in my home State of Illinois, they say: If you have a surplus, Senator, for goodness' sake, the first thing you ought to do is get rid of the national debt, the \$5.7 trillion we have amassed in debts over the last, well,