

So on a very personal basis on behalf of the Senate, I wish you God's grace in everything you do, DAN COATS.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to add to the wonderful words that were said about Senator DAN COATS by our distinguished majority leader. He has affected many of us. I think by his example we have all been enriched in this body, and in the U.S. Congress. We thank him very much.

BANKRUPTCY REFORM ACT OF 1998

Mrs. HUTCHISON. Mr. President, I rise to talk about the bankruptcy reform bill that we have just proceeded to and to say that this is a very important reform bill.

I want to commend Senator CHUCK GRASSLEY for the work he has done on this bill and to specifically talk about one part of this bill which was very important to me. That is the homestead exemption that is a part of the Texas Constitution.

I worked with Senator GRASSLEY and Senator HATCH when this bill was coming to the floor earlier this month to make sure that, by the time the bill was finished, it would take into account those States that have constitutional provisions, as my State does, which provide for some sort of homestead exemption.

In my home State of Texas, we have had a homestead exemption under our bankruptcy laws and in the constitution since the 1840s, actually; this is not something that has come about lately. But because many farmers and ranchers were very worried about losing their livelihoods if they ever got into a temporary situation—they were worried that they would lose their ability to maintain their families and their livelihoods—so we have a constitutional provision. It was important to me that we keep it.

The first bill that passed out of the Senate did not have that. But I had the assurance of Senator GRASSLEY that he would work with me to make sure that a State like mine would not be overrun on this very important point. And, in fact, Senator GRASSLEY is true to his word. I cannot say enough good things about the fact that he kept his word to the letter. We were able to come to an agreement that kept the Texas constitutional provision for the homestead exemption intact. That is in the bill that will go forward.

I hope we will be able to pass this bill, send it to the President, put it on his desk, and that he will sign it. But if in fact that isn't the case, I hope we will be able to work on this next year to have real bankruptcy reform so that people will not be able to willingly walk away from their debts, but nevertheless that will also take into account

that there are States which have constitutions about which we feel very strongly, that this is a part of our heritage. It is one that I will work tirelessly to see continued.

Mr. President, I thank the Presiding Officer. I appreciate very much the opportunity to work on this with Senator GRASSLEY and Senator HATCH. I hope we will prevail either in the next few days or in the next year.

Thank you, Mr. President. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. DASCHLE. I thank the Chair.

SENATOR WENDELL H. FORD

Mr. DASCHLE. Mr. President, as the majority leader noted, this is a bitter-sweet time for many of us. We bid colleagues farewell and we recall the times we have had together. In some cases, we have worked together and shared friendships for many years.

I have been asked to do something somewhat unusual tonight. I have been asked by the staff of our distinguished Senator from Kentucky, my dear friend, Senator FORD, to read a letter they have composed to him for the Congressional RECORD.

I am delighted that Senator FORD is on the floor to hear this personally.

So, as requested, I will read the letter, which was written by his staff. I know my own staff shares these feelings for Senator FORD. The letter is dated October 9, 1998.

OCTOBER 9, 1998.

DEAR SENATOR FORD: After several weeks of tributes, receptions, dinners and other special events in your honor, we're sure that a man of your humble nature is probably ready to have people quit making a fuss and let you leave town as unnoticed and as low-key as possible.

However, these weeks have given us the opportunity to hear others tell you what we've also known all along: your legacy of serving our state, your labor of love on behalf of all Americans, and the unfailing kindness you've shown during your time in the United States Senate will never be forgotten.

On top of just being a plain 'ole good boss, you've also been a mentor, a teacher, and someone we could always look up to for guidance and support, no matter the situation. But most importantly, you've been a friend to all of us.

You've given us the opportunity on a daily basis to personally witness the countless hours of hard work you put in on behalf of Kentuckians. We've seen you stay into the early morning hours here in the Senate during an all-night session, and then rush to catch an early morning plane for a commitment back home. We've seen you toil late into the night working on a conference committee, only to have you beat us into work the next morning with a smile and joke for everyone.

These are some of the things your Kentucky constituents may never have known. But at the same time, we know they've benefited greatly from your accomplishments on their behalf and your never-ending desire to see that all Kentuckians, no matter their station, have the tools and opportunities to lead successful and productive lives.

As we've heard you say many times, it's been a good run. And we could not let today pass without letting you know how much it's meant for us to have had the opportunity to work with you, to learn from you, and have you as our favorite Senator.

Sincerely,

YOUR STAFF.

Mr. President, I yield the floor.

Mr. FORD addressed the Chair.

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

Mr. FORD. Mr. President, let me thank my good friend, the Democratic leader, TOM DASCHLE, for reading this letter. I didn't know it was coming.

I really do not know how to respond to it, except to thank my staff. We claim to do a lot of things around here. And if we did not have loyal, faithful, hard-working, dedicated, intelligent staff, not only in our offices but here on the floor, we would not get accomplished near as much as we do.

So I thank them from the bottom of my heart. And I hope that in the last few days I will not get so cantankerous that they will want to expunge the RECORD of this letter.

56 BIT ENCRYPTION IS A GOOD START, BUT IS NOT ENOUGH

Mr. LOTT. Mr. President, the White House recently announced that it would allow some relaxation of its encryption export controls to allow the sale of strong encryption products to companies in the finance, insurance, and health sectors and to certain companies engaged in electronic commerce. While the specific details have yet to be articulated in revised regulations, it appears that the Administration is finally heeding Congress' calls to modernize its export control regulations. While this action is a step in the right direction, I believe the Administration is still moving too slowly and incrementally. Even with these proposed changes, there are still a number of other businesses and consumers who will not be able to utilize strong American-made encryption products. Since export restrictions will remain in place, foreign suppliers will continue to develop and sell strong encryption products in the international marketplace without real competition from U.S. providers. Putting \$60 billion and over 200,000 American jobs in jeopardy over the next few years.

Unfortunately, the Administration continues to pursue an outmoded policy that supports the broad use of 56-bit encryption for the vast majority of computer users. As my colleagues are aware, the government-approved 56-bit Data Encryption Standard was recently cracked last July in just 56 hours. This is particularly alarming because it was accomplished using a single computer instead of the thousands that were linked together just a few months ago to achieve the same result in 39 days.

Fortunately, this code-breaking effort was undertaken by contest participants as part of an international challenge instead of by hackers or thieves preying on a vulnerable, unsuspecting target. It is truly scary to see how easy it is for someone's medical, financial, or personal records to be accessed and read by unauthorized persons. Ironically, the decoded message read, "It's time for those 128-, 192-, and 256-bit keys."

This feat proves what many in Congress have been stating for some time, that 56-bit encryption can no longer protect individual or corporate computer files from unauthorized access. Yet, 56-bit encryption continues to be recognized as the government standard and U.S. companies can only sell advanced encryption software and hardware to a finite community abroad. Let us be clear; the Administration's export regime affects American citizens everywhere. Whether you communicate via the Internet, or work in the technology business, you are likely to be adversely affected by the Administration's current encryption policy. A policy that does not allow the sale of strong encryption to energy suppliers, telecommunication providers, the transportation industry, human rights organizations and the vast majority of legitimate and responsible business entities and consumers throughout the globe. Ultimately, this approach promotes the use and development of weak encryption. While I welcome the White House's recent announcement to relax some export controls, the Administration's proposal simply does not go far enough.

Mr. President, it is encouraging that the Minority Leader has actively engaged himself on the encryption issue. In a floor speech last July, Senator DASCHLE agreed that America's encryption policy needs to strike a balance between privacy protections and national security and law enforcement interests. The Minority Leader recognizes that the development and use of strong encryption products promote international commerce and Internet use as well as ensure privacy and aid national security. Senator DASCHLE is also equally alarmed that, "maintaining existing encryption policies will cost the U.S. economy as much as \$96 billion over the next 5 years . . ." I agree with Senator DASCHLE's comments that the Administration needs to articulate and advance an encryption agreement that is "good for consumers, good for business, and good for law enforcement and national security." Similarly, we agree that it is time to move beyond endless discussion and debate and on to a balanced and complete solution.

Mr. President, with every passing month, consumers across the globe turn to foreign suppliers for their advanced encryption needs. If a solution that reverses this trend is not found soon, then America's computer industry will fall so far behind its foreign

competitors that U.S. suppliers will lose forever their technology market share to European, Asian, and other foreign manufacturers. Congress and the Administration cannot allow this happen.

As Senator DASCHLE pointed out, the computer industry and privacy groups are serious about reaching a compromise on encryption. In May, for example, Americans for Computer Privacy (ACP), a technology policy group, submitted a seven-point proposal to the Administration which would provide U.S. manufacturers the ability to sell the kind of encryption technology that is already widely available abroad. In July, an industry consortium announced the "Private Doorbells" proposal to assist law enforcement. This proposal was a reasonable attempt to find an alternative to the White House's call for a national key escrow framework. Fortunately, the Administration finally appears to recognize that a third party key recovery system is technically unworkable and unnecessary.

I believe Congress is still interested in modernizing the Nation's encryption policy based on current realities. As Senator DASCHLE observed, several cryptography bills have been offered during this session. Clearly though, they are not all created equal. Some of these legislative proposals would turn back the clock by putting controls on domestic encryption where no such controls currently exist. Others would completely sacrifice constitutional protections by allowing law enforcement to read personal computer files without a court order and without the target ever knowing their files had been accessed. There are also proposals that would require an expensive, technically unworkable key escrow system. Finally, some members advocate linking encryption with other technology issues which could in the end result in no legislation being passed at all.

The encryption debate cannot be resolved by settling on a specific bit-length, giving particular industry sectors export relief while denying others the same, or by sanctioning one technical solution over another. Moreover, this debate will not be resolved by building secret backdoors, frontdoors or any doorways into encryption software.

Mr. President, I look forward to working further with Senator DASCHLE, my colleagues from both sides of the aisle, the Administration, and the computer industry to help close the gaps that still exist. As the Minority Leader recognizes, this is not about politics or partisanship. This is an urgent matter that requires us all to work together to forge an appropriate solution. One that balances the needs of industry, consumers, and the law enforcement and intelligence communities. In the end, we must have a consensus solution that brings America encryption policy into the 21st Century.

COMMENDING THE CENTER FOR SUSTAINABLE URBAN NEIGHBORHOODS

Mr. FORD. Mr. President, all across America, people from every walk of life carry a vision in their heads and in their hearts of the perfect community—of the kind of place where they can raise their children and their children can in turn raise their children.

There's no doubt that everyone's picture would look different, based on our own experience. But I feel certain they would have many elements in common. We want safe neighborhoods. We want to be economically secure. And we want to keep our families healthy. These are the building blocks of a liveable community, and the City of Louisville has played an important role in helping to put them into place, serving as a model for inner-city revitalization.

The city has rehabilitated and built hundreds of housing units, they've created new jobs and businesses, and more families are building stable, productive lives. East Russell, an inner-city Louisville Neighborhood, has seized the nation's attention by creating a renaissance in that part of the city, bringing it new life and vitality. Rightfully so, this revitalization project has received attention by mayors and elected officials all over the United States.

The University of Louisville's Sustainable Urban Neighborhoods (SUN) is devoted to making inner city neighborhoods healthy and safe places to live. The project is located at the Center for Urban and Economic Research at the University of Louisville. One of the biggest accomplishments of this project has been building affordable houses for residents with a strong cooperative effort by the entire staff, including the University of Louisville, CityBank, and Telesis, along with many community organizations.

Mr. President, the SUN staff—including its Director, Dr. John Gilderbloom and students from the University of Louisville—and SUN community partners have already done so much to strengthen our inner city communities and boost the hopes and spirits of the people living there.

I would ask that my colleagues join me today in commending their work to make our cities "dream places" to live and for their continued commitment to the greater community. And as they host their conference the week of October 15th through the 17th, we wish them the best of luck in their continued efforts.

RETIREMENT OF SENATOR DIRK KEMPTHORNE

Mr. THURMOND. Mr. President, while each of us is looking forward to adjournment so that we may go home and spend time with our constituents and being closer to our family and friends, the end of the 105th Congress is a somewhat bittersweet occasion as