

all environmental obligations and agreements of which it is a signatory.

(4) Work with the International Monetary Fund to incorporate the recognition that macroeconomic development and policies can affect and be affected by environmental conditions and policies, including by working independently and with multilateral development banks to encourage countries to correct market failures and to adopt appropriate environmental policies in support of macroeconomic stability and sustainable development.

(5) Structure the International Monetary Fund programs and assistance so that governments which draw on the International Monetary Fund channel funds away from unproductive purposes, such as excessive military spending, and towards investment in human and physical capital as well as social programs to protect the neediest and promote social equity.

(6) Work with the International Monetary Fund to foster economic prescriptions that are appropriate to the individual economic circumstances of each recipient country, recognizing that inappropriate stabilization programs may only serve to further destabilize the economy and create unnecessary economic, social, and political dislocation.

(b) REPORT TO CONGRESS.—The Secretary of the Treasury shall submit a semi-annual report to Congress on the status of International Monetary Fund programs linked to official United States government financing.

(c) CONTENTS OF REPORT.—With respect to each program, the report shall include the following:

(1) Whether International Monetary Fund involvement in labor market flexibility measures has a negative impact on core worker rights, particularly the rights of free association and collective bargaining.

(2) A description of any abuses of core worker rights and how the International Monetary Fund addresses such abuses.

(3) Whether the program adequately balances the need for austerity, economic growth, and social equity.

(4) What measures are included in the program to ensure sustainable development and address environmental devastation.

AMENDMENT NO. 2126

(Purpose: To express the sense of Congress on the treatment of Muchtar Pakpahan)

At the appropriate place, add the following:

**SEC. . SENSE OF THE CONGRESS ON THE TREATMENT OF MUCHTAR PAKPAHAN.**

It is the sense of Congress that the Government of Indonesia should immediately release Muchtar Pakpahan from prison and have all criminal charges against him dismissed.

AMENDMENT NO. 2127

(Purpose: To encourage the International Monetary Fund to require burden-sharing by private creditors, and for other purposes)

At the appropriate place, add the following:

**SEC. . BURDEN-SHARING BY PRIVATE CREDITORS.**

(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to use the voice and vote of the Executive Director aggressively to amend the International Monetary Fund bylaws to provide that the Fund shall not provide funds to any country experiencing a financial crisis resulting from excessive and imprudent borrowing unless the private creditors, investors, and banking institu-

tions that had extended such credit make a significant poor contribution by means of debt relief, rollovers of existing credit, or the provision of new credit, as part of an overall program approved by the International Monetary Fund for resolution of the crisis.

AMENDMENT NO. 2128

(Purpose: To provide for an Advisory Committee on IMF Policy)

At the appropriate place, add the following:

**SEC. . ADVISORY COMMITTEE ON IMF POLICY.**

(a) IN GENERAL.—The Secretary of the Treasury shall establish an International Monetary Fund Advisory Committee (in this section referred to as "Advisory Committee").

(b) MEMBERSHIP.—The Advisory Committee shall consist of 8 members appointed by the Secretary of the Treasury, after appropriate consultations with the relevant organizations, as follows:

(1) at least 2 members shall be representatives from organized labor.

(2) at least 2 members shall be representatives from nongovernmental environmental organizations.

(3) at least 2 members shall be representatives from nongovernmental human rights or social justice organizations.

(c) DUTIES.—Not less frequently than every six months, the Advisory Committee shall meet with the Secretary of the Treasury to review and provide advice on the extent to which individual IMF country programs meet the policy goals set forth in Article I of the Fund's Articles of Agreements and this Act.

(d) INAPPLICABILITY OF TERMINATION PROVISIONS OF THE FEDERAL ADVISORY COMMITTEE ACT.—Section 14(a)(2) of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

Mr. WELLSTONE. Mr. President, these amendments deal with IMF.

I ask unanimous consent that they now be laid aside.

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

Mr. STEVENS. Mr. President, I ask unanimous consent that they be in order behind the two amendments offered by the Senator from Missouri.

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

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

AMENDMENT NO. 2123

Mr. JEFFORDS. Mr. President, I want to speak first very briefly on the amendment offered by the Senator from Missouri that would help the disaster areas of the Northeast.

First I want to commend the Senator from Missouri for helping the areas of the Northeast that were so punished by the recent problems with respect to the ice storms. Vermont suffered very significantly in the upper part of the State, but with the knowledge that we have with respect to what happened in New York and Maine which so far outpaced our problems, I can certainly commiserate with their need to have assistance, especially with respect to utilities, which have been greatly harmed by the weather problem.

AMENDMENT NO. 2120

I now would like to talk a little bit about the problems regarding the Kennedy-Kassebaum bill of the 104th Congress, the Kassebaum-Kennedy legislation, also known as the Health Insurance Portability and Accountability Act of 1996, called HIPAA. Many consider this legislation to be the most significant Federal insurance reform in the past decade. During this Congress, I have tried to closely monitor the impact of HIPAA over the past year to ensure successful implementation and consistency with legislative intent.

On March 19th, the Labor and Human Resources Committee held an oversight hearing to focus on the findings of a GAO report, which I requested, entitled, "Health Insurance Standards: New Federal Law Creates Challenges for Consumers, Insurers, Regulators." The report examines the HIPAA first-year implementation issues and the challenges that consumers, issuers of health coverage, state insurance regulators, and federal regulators have faced since HIPAA's passage.

This legislation was limited to the problems of individual insurance. And another GAO report will be coming forward with respect to the problems of going from one group to another.

The report confirms that federal regulators have faced an overwhelming new set of duties under HIPAA. In the five states that have failed to or chosen not to pass the legislation required by HIPAA (California, Massachusetts, Michigan, Rhode Island, and Missouri), the Department of Health and Human Services is now required to act as insurance regulator for the state HIPAA provisions. As a result, HHS has requested an additional \$6 million in the supplemental appropriations bill to fund 65 new full-time equivalent staff for HIPAA-related enforcement activities in fiscal year 1998.

I share many of the concerns raised by my friend Senator NICKLES in offering his amendment. The federal government is ill equipped to carry out the role of insurance regulator. Building a dual system of overlapping state and federal health insurance regulation is in no one's best interest, and I intend to examine carefully this consequence of the act. However, we are currently faced with a real problem. We do not know when the five states will pass the necessary legislation in order to rely on state regulation. I believe HCFA currently lacks the expertise and resources to carry out its HIPAA-related responsibilities absent state action.

I suggested to Senator NICKLES an alternative to his amendment. HCFA has identified a need for 36 employees for essential enforcement in those states where conforming legislation has not passed. I believe that Congress should grant HCFA temporary authority to hire these 36 employees for its new HIPAA enforcement in these states for this fiscal year only. By approving the temporary positions during this fiscal year at a cost of \$3.3 million, we will

have met today's real need—without permanently adding to the number of employees at HCFA for non-HIPAA related duties in the future. We should have the necessary debate on the need to continue this level of staffing through the normal appropriations process.

I am concerned that if we make these permanent, then California will just say, "Well, we might just as well leave it with them," and then we will have employees doing what the States should be doing.

So I will support the amendment of my friend from Oklahoma with the understanding that during the conference the authors will work out just how many they have. But I strongly urge they be made temporary employees and not permanent employees.

Mr. President, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, for the information of our colleagues, I think we are very close to concluding debate on this amendment.

I want to thank my colleague from Vermont, and my colleague from New Mexico and others who have spoken on behalf of this amendment. I also share his concern. If there are going to be that number of employees in HCFA, it should be temporary. I very much appreciate that.

I also mention that my friend and colleague from Massachusetts said that Oklahoma had recently hired five employees to comply with this provision. I think that is fine. I think that is great, because I happen to believe in State control of insurance instead of the Federal Government. States are trying to comply. They are in the process of complying. The State of Oklahoma can probably hire five employees for less than \$93,000 each, as we would be doing under this piece of legislation.

So, again, for the information of our colleagues, my amendment would strike out the provision that would add \$16 million for HCFA for the hiring of an additional 65 employees. I do not think that is necessary. They have over 4,000 employees today. They certainly can borrow, they can use, they can have temporary employees. They do not need 65 permanent employees.

We also do not need to be taking money away from the Medicare's Hospital Insurance Trust Fund, a permanent entitlement provision, to pay for this measure.

Again, the administration was well aware. The Health and Human Services Administration has 58,000 employees. Surely they can shuffle some employees around, if necessary, to meet any emergency that might arise.

So I urge my colleagues to vote for this amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. 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. STEVENS. 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. STEVENS. Mr. President, the situation is now that we have nine amendments in order and probably at least three more that I know of that are coming. So we have 12 amendments to deal with before we can get down to the managers' package on this bill. At the request of the Senator from Massachusetts, I am going to ask that this amendment be set aside and that it be regular order on the list that we have, to come before the Senate again after action on the Bond amendments.

The PRESIDING OFFICER. Without objection, it is so ordered. The Nickles amendment is set aside.

Mr. STEVENS. Mr. President, that would mean that at this time, as I understand it, if I ask for the regular order, the amendment before the Senate will be the amendment by Senator Faircloth. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

#### AMENDMENT NO. 2103

Mr. STEVENS. I ask for the regular order.

The PRESIDING OFFICER. The pending question is the FAIRCLOTH amendment, No. 2103. The Senator from Alaska.

Mr. STEVENS. Mr. President, I once again ask Senators to come forward and tell us if they are going to offer amendments to the supplemental bill. As I have indicated, we now have at least 12 that are on our screen and we would like to start working out some sort of time agreement to dispose of this bill.

I might state to the Senate that as soon as the Senator from North Carolina has presented his amendment, I intend to make a point of order against it. That will take place as soon as he has finished his statement.

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. STEVENS. 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. STEVENS. For information of all Senators, it is my understanding the Senator from North Carolina will take but a short time, and following his statement, as I indicated, I will make a point of order against his amendment. He has indicated to me he will ask to waive that point of order, so that

would mean there would be a vote before the Senate at approximately 10 minutes of 1.

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. STEVENS. 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. STEVENS. Mr. President, after discussing the statement I made previously, I ask unanimous consent that the vote on the waiver of my point of order on the amendment that is going to be offered by Senator FAIRCLOTH—Senator FAIRCLOTH will make a motion to waive my point of order—I ask that the vote take place at 1:30.

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

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

#### AMENDMENT NO. 2129 TO AMENDMENT NO. 2103

(Purpose: To provide for a reservation of funds for activities under part B of the Individuals with Disabilities Education Act)

Mr. GREGG. Mr. President, I have an amendment which I send to the desk which is an amendment in the second degree to the Faircloth amendment which is pending. Is the Faircloth amendment pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. GREGG. This is an amendment in the second degree.

The PRESIDING OFFICER. The clerk will report.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. KENNEDY. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 2129 to amendment No. 2103:

At the end, add the following:

(4) EXPENDITURES FROM TRUST FUND.—

(A) IN GENERAL.—Subject to subparagraph (B), amounts in the Trust Fund shall be available to the Secretary of Education for making expenditures to carry out subsection (a).

(B) RESERVATION.—

(i) IN GENERAL.—The Secretary of the Treasury shall reserve \$1,000,000,000 of the amounts in the Trust Fund for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(ii) USE.—Amounts reserved under clause (i) shall be available to the Secretary of Education, during the 5-year period beginning on the date of establishment of the Trust Fund, for use in carrying out activities under such part B.

Mr. GREGG. Mr. President, I will go into this amendment in more depth after the Senator from North Carolina has proceeded with the core of discussing his basic amendment. Essentially what this amendment does—the underlying amendment takes the money from the stabilization fund and puts it

toward school construction. Instead of putting it all towards school construction, this amendment puts \$1 billion of it towards special education. We as a Government have an obligation to special needs children. I have discussed that on the floor many times. We have made a 40 percent commitment as a Government that, regrettably, is an unfunded mandate that has not been fulfilled. We are only paying 9 percent of the local cost. This would help pick up the 40 percent, move towards that 40 percent, and that is the purpose of this amendment.

I appreciate the courtesy of the Senator from North Carolina. As I understand it, he does not object to this second-degree amendment. I look forward to hearing this discussion of his underlying amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, I am delighted to accept the amendment from Senator GREGG. It is a good amendment. The States have a burden complying with this law, and I have no problem with using \$1 billion of the \$5 billion we are proposing so the States can meet the law.

Again, these are loans to the States which, in my opinion, is much better than loans to Korea, Mexico, Indonesia, and others, the likes of which we have been giving it to.

The PRESIDING OFFICER. Will the Senator suspend. Can we take our conversations off the floor, please. The Senator deserves to be heard.

The Senator from North Carolina.

Mr. FAIRCLOTH. Thank you, Mr. President.

Mr. President, I would like to make a motion to waive the Budget Act with respect to this amendment.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, it is my understanding, if the Senator will yield, before he can do that, I have to make a point of order, which I have not made.

Mr. FAIRCLOTH. I was expecting the Senator from Alaska to make the point of order.

Mr. STEVENS. Mr. President, in view of the information I have just received that several Senators want to speak on this amendment, I ask unanimous consent that my previous unanimous consent request be vitiated.

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

Mr. STEVENS. That means there will not be a vote at 1:30, Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 2103

Mr. FAIRCLOTH. Mr. President, what this amendment is about is very simple. As I have said many times, if we can provide \$18 billion for the IMF without any budget impact at all, I think we can certainly waive the Budget

Act, if it comes to that, to provide \$5 billion for school construction. I don't think it violates the Budget Act.

The ESF at Treasury loans out money. This is what it does. This is what the new fund will do. The only difference is that this money, I propose, will be loaned to the school systems throughout this Nation to rebuild the schools rather than to overseas ventures.

The reason I offer this amendment is this appropriations bill went from a \$2 billion emergency bill yesterday to an \$18 billion international bailout today. I am concerned about the priorities of some of my colleagues in this body. We are spending money in a supplemental for operations in Bosnia—a supplemental. Is there anyone who seriously thought that the President was going to remove the troops in June of 1998, as we committed he would? Why did we ever think he would keep that promise? We have no plans to leave Bosnia. There is no plan to leave Bosnia. We could well be there on into infinity. As long as we put up money, we will be there.

Second, we are spending money for operations in the Persian Gulf, \$1 billion already, to back up a U.N. resolution. Yet, the administration says that we haven't paid our dues to the United Nations. Well, if they will pay us for the Persian Gulf operation, we will give them a check for the United Nations.

Third, we are providing \$18 billion for the IMF—\$18 billion. I am as opposed as a man can be to sending our money—and they were identified by the majority leader in this body as Socialists—I am opposed to sending our money to silk-suited dilettantes to spread around the world like it was holy water and theirs to do with as they see fit. This is not what our money should go for. These are not my priorities. These are the priorities of the Clinton administration, to send the money to the IMF while they flit around the country on a diet of champagne and caviar at the expense of the American taxpayer.

I am tired of and not going to go along with the Tom Sawyer trick of us painting the fences for the administration, and that is, very frankly, what we have done. We have catered to and gone along, one behind the other.

I have priorities that I think need pushing. I think it is far more important to rebuild the schoolhouses and school buildings in North Carolina than it is to spend the money around the world for international bailouts. There is no end to them.

Just to take 1 minute on this international bailout, if the Secretary of the Treasury Rubin and the administration will come forth and say this is the last \$18 billion, then I might think more kindly of it, but they wouldn't begin to tell you that, because they know they are going to be back before the year is out for \$28 billion more. They have already planned it.

I don't work for President Clinton, thank goodness. I work for the people of North Carolina. Very simply, if we can afford to make loans to Mexico, Korea, and Indonesia from the Exchange Stabilization Fund, then we can afford to make loans to the States for school construction and modernization.

According to the Congressional Research Service, this Exchange Stabilization Fund had over \$30 billion at the end of 1997. This has become a giant slush fund in the Treasury Department. They do their dead-level best to keep the fund a secret, because it is under the exclusive control of the Secretary of the Treasury, and, as I say, they flit around and pass it out. I think it is time for the Congress to stand up and say where it goes and when it goes and spend the money for domestic purposes, whether the Treasury likes it or not.

I thank you, Mr. President, and I yield the floor.

Mr. STEVENS addressed the Chair.

Mr. STEVENS. Mr. President, there are a few times when a chairman faces dilemmas of this magnitude. I support the concept of more funds going to schools and to the Disabilities Act. If I make a point of order, and the Senator makes a motion to waive the point of order, I think that will carry. I think the Senate will vote to waive. I know that my friends on the Democratic side of the aisle would vote to make that money available and, obviously, I think Members on this side of the aisle think this is a way to somehow or another deal with the budget in a different way using the stabilization fund.

The net result of the Senator's amendment, if the budget is waived, is that there will be \$5 billion spent from the stabilization fund and that, in effect, would require our committee to go back and take \$5 billion out of the nondefense side of the budget and rescind it. If we did not do that, our whole bill is subject to a point of order and the disaster money and the defense money that we so vitally need will not be available.

I can tell the Senate, it would take me a week to find \$5 billion in non-defense money that we could rescind for 1998. The Senator is aware, I am sure, that his amendment makes the money available in 1998. It says that in 1998 the administration is directed to spend \$5 billion from the stabilization fund.

At the time of the Mexico crisis, I did a study of the stabilization fund. It was created at the time the United States went off the gold standard, and someone in the Treasury decided that since we are off the gold standard, we ought to figure out what the gold in Fort Knox is worth, and they did. As the price of gold went up, the stabilization fund went up. It does not represent any capital in the sense of income that is saved; it represents the value of the gold in Fort Knox.

Literally, in order to pay for the expenditures that the Senator's amendment would authorize, otherwise

pressed, the Treasury would have to sell the gold in Fort Knox. Unfortunately, the value of that has gone down, and the stabilization fund may really not be worth as much as people think it is.

In any event, this amendment has some strange quirks to it, as far as this bill is concerned. I do not want the Senate to waive the Budget Act, because if we waive the Budget Act, as I said, the whole bill is subject to a point of order. If we adopt the amendment, the bill is subject to a point of order similarly, in my opinion, unless we go back and take out the \$5 billion that it would spend in 1998.

I may be misinformed on that regard, but I know the effect of spending that kind of money would require us to go back and take the money out of existing accounts on the nondefense side.

I think the Senate ought to have some time to think about this. I think the Senator ought to think about it, because it is not going to achieve the result the Senator seeks. It is not going to embarrass anybody on the Democratic side. They are going to vote for his amendment. It is not going to embarrass anyone on our side of the aisle; they are going to vote for the amendment. And it is not going to embarrass the administration; they want to spend that kind of money, \$5 billion more money.

As my grandmother said, it is money made of whole cloth. It is not there. It wasn't in the budget to start with and somehow that money will have to be accounted for in the budget process this year.

I understand what the Senator from North Carolina is trying to do, but it is not going to achieve the result that he seeks. I can tell him I am informed the Democratic Members will vote for his amendment, as Democratic Members will vote to waive, as he seeks to make. The net result is the Senator will increase spending by \$5 billion, unless we go back, as I said, and take \$5 billion out of the nondefense side of the budget that is left to be taken out in the last 6 months of this year.

I can tell the Senator, in order to do that, you have to take out about \$15 billion, because we are talking about outlays, and it is just not possible this time of the year to get that kind of money without doing severe damage to a lot of programs, whether they be agriculture programs—they would be on the nondefense side. We cannot touch defense on this amendment.

It is a nightmare, really. But it comes about because I understand Senators do not want to vote against the Senator's amendment, as he might have anticipated. They will not vote against this amendment.

Mr. President, I ask unanimous consent to set the Senator's amendment aside to a time certain at 5 o'clock, and we will find some time to deal with it between now and then.

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

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 2120

Mr. SPECTER. Mr. President, I have sought recognition to comment briefly upon the amendment which was argued a little earlier in the day. I had been on the floor when the amendment by the distinguished Senator from Oklahoma, Mr. NICKLES, was offered. There were many Senators here, and I had other commitments. I am going to support Senator NICKLES' amendment, although I do so with some substantial concern for the funding at HCFA.

When the additional personnel had been requested to move forward on the provisions of the Kassebaum-Kennedy bill, it seems to me that Senator NICKLES had made a valid argument that most of the States, almost all of the States, have applied and it is not in an emergency classification. I am further concerned that this funding has been requested by the Department of Health and Human Services on an emergency appropriations bill which does not quite fit the mold. Where we have these emergency appropriations bills, it is my view that we really ought to limit them to matters that are truly emergencies and not seek to pile on and use this as an occasion for appropriations which really can wait their turn.

I speak on this amendment in my capacity as chairman of the appropriations subcommittee which has jurisdiction over the Department of Health and Human Services. We conduct, through my subcommittee, considerable oversight on HCFA. I am very much concerned that they should be adequately funded to carry out their duties.

Last week, we had a hearing with HCFA on the issue of the changes in compensation for a variety of physician categories, and at the same time we also had a hearing for the appropriation for fiscal year 1999 where the Secretary of Health and Human Services testified and the Administrator of HCFA, Min DeParle, testified as well, and did not raise the issue of this appropriation in this emergency appropriations bill. So I do think that had it been a matter of great urgency, in my capacity as chairman of that subcommittee, it would have been called to my attention, it would have been impressed on me, which was not the case.

In reviewing this matter with the distinguished chairman of the Appropriations Committee, I do concur with his analysis that it is not an appropriate matter for an emergency appropriation. And if it is the enforcement of Kassebaum-Kennedy, there are personnel available to do that, and that is not at a critical stage.

I had heard that the appropriation was sought to carry forward the change in the schedule on physicians' compensation, but apparently that does not seem to be the case. So, as I say, I am ready, willing, and able to take a

look at what HCFA needs. We are now in the process of considering the appropriations bill for next year, and I think an orderly process makes it preferable that we consider this appropriation request at that time.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. COATS). Who yields time?

Mr. SPECTER. In the absence of any other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FEINGOLD. 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. FEINGOLD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Wellstone amendment No. 2128.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that that amendment be temporarily set aside and that my amendment concerning Bosnia be before the body.

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

The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Thank you, Mr. President.

AMENDMENT NO. 2121

Mr. FEINGOLD. Mr. President, I am glad to have a brief opportunity to further explain why I have offered this amendment concerning Bosnia. I believe there will be an opportunity to vote on this, perhaps in the context of a motion to table, very soon, perhaps as soon as 1:30, so I would like to offer just a couple of remarks about why I have offered this amendment.

What the amendment would do is remove the emergency designation from the Bosnia money that is in this bill. There are various pots of money in this bill, but I am only talking here about the Bosnia money concerning the operation in the Bosnia theater. If the Senate determines that these funds are not an emergency—if I am able to prevail in this amendment—then they would be treated like any other kind of spending, any other kind of regular spending. In other words, under this scenario, if the administration wants to have these expenditures, they would have to follow the regular procedure. That is, the administration and the Members of Congress would have to find an offset from within the budget caps for these defense expenditures. Otherwise, these defense expenditures would be sequestered.

The reason I am offering this is that the emergency designation as drafted in this bill for the Bosnia funding is really just a way around spending caps. In my mind, it is a ruse. It is just a budget fiction. It means we are ignoring our own budget caps.

My personal preference would be that we had not put ourselves in the first place in the position of having our troops in Bosnia this way. I opposed the deploying of our troops to Bosnia and still do. Since we have and we are in the situation that we are in, I think at a bare minimum with regard to the continuing of the Bosnia mission, we have to exercise some budget discipline here. Why wouldn't the budget rules apply to this Bosnia situation?

What my amendment does is help us exercise that discipline. It strikes the emergency designation for the Bosnia money, again for the simple reason that the Bosnia operation is certainly a very important operation but it is not an emergency. It is very hard to argue that the ongoing, ever-lengthening mission in Bosnia is an emergency. Yet we are faced with this emergency designation as a way to bootstrap this funding into this bill which is supposed to be about emergencies.

This amendment does not set an end date by which our troops should leave Bosnia, although I do want to see us do that. I hope it would be no later than June 30 of this year. This amendment does not call for our troop withdrawal at this time, although I very much would like to see that happen. All it does is simply force the administration to be straightforward and force the supporters of the administration's policies to be straightforward and to face the reality of the fiscal demands of this mission.

What has happened here is an operation that we were told would only cost \$2 billion has already cost the American people \$8 billion, and now we are asked to put another half a billion into this, and somehow people are arguing that it is on the basis of an emergency situation. That is simply not credible. This speaks both to the problem of the Bosnia mission and the problem we have with budgeting in general in this country. People are appalled that emergency bills are used as windows of opportunity to achieve other agendas. I am the first to admit that there have been more gross violations than this one, but this is a lot of money, and the American people are beginning to wake up to the fact that we have spent 8 billion American dollars in the Bosnia situation.

At a bare minimum, what we try to do in this amendment is say, "Let's find out how we are going to pay for this. Let's have the budget rules apply. Let's have the administration and the Congress say exactly how they will pay for this," instead of, in effect, deficit spending that is being used to fund the Bosnia mission.

I yield the floor and 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. GREGG. 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. 2129

Mr. GREGG. Mr. President, I know the Feingold amendment is pending, but I want to speak to the issue of the Faircloth amendment which was offered earlier and which I understand will be resumed and possibly voted on later this afternoon, specifically to my second-degree amendment to the Faircloth amendment.

The second degree says that of the \$5 billion that would be taken from the stabilization fund—which is, I believe, essentially a fund that allows the Treasury the flexibility to do things like Mexico bailout and the bailouts in Asia, of the \$5 billion that Senator FAIRCLOTH has suggested we take back into the Treasury to take control over, which I think is a good idea—that \$1 billion of that would go towards special education.

As many people who have listened to me speak occasionally on this floor know—or some people know because I suspect many don't listen or would rather ignore it—the special education funding accounts of this Government are totally skewed in that when the bill for special education was first passed back in 1976, the Federal Government said it would pick up 40 percent of the costs of the special needs child in the local school districts. Over the years, the Federal Government has failed miserably in fulfilling its obligations, and instead of paying for 40 percent of costs, as of 2 years ago it was down to paying for only 6 percent of the costs of the special needs child.

As a result of efforts by a number of Senators, including myself and Senator LOTT and the Presiding Officer, we have been able in the last 2 years on the Republican side to significantly increase funding for special education, with no support, by the way, from the administration, to the point where we now have it up to approximately 9.5 percent of the costs of the special education being borne by the Federal Government—still a far cry from the 40 percent.

The administration has put forward a budget this year which calls for virtually no increase in special education funds, which is an outrageous position in light of the fact that they are also suggesting we create new programs in the elementary and secondary school level that would cost approximately \$12 billion. But they can find no room in their budget for special education for kids who need special education, which is truly inappropriate.

What has happened is the special needs child finds himself put in a situation where in local school district after local school district that child is really in an untenable and unfair position relative to other children in the school system. The parents of that child are forced to be put in confrontation with the children and parents who do not have special needs, in different school systems, in a competition for re-

sources, in a competition for resources which should be there if the Federal Government paid its fair share but which are not because the Federal Government does not pay its fair share.

This administration, in suggesting \$12 billion in new programs outside of special needs funding, is essentially saying we are not only not going to fund the needs of the special education to the level required by the law; we are going to take money which would relieve the pressure on the special education child, which would relieve the pressure on the local school district, we will take that money and create new programs, new mandated programs, new categorical programs where the local school districts will have to do what we say they have to do in Washington in the area of buildings and in the area of class size at the expense of the special needs child, one more time.

If this money was put where it was supposed to be under the law, the 40 percent as the Federal Government is supposed to pay for it, if the President's budget funded special education at the level that it was required to be funded under the law, then those new programs, instead of being started in buildings, instead of being started in class size, those dollars would flow to the special education accounts and the local school districts could make the decisions because they would then have their resources freed up as to what type of buildings they wanted, what type of courts they wanted, and the decision process would be controlled where it should be—at the local level, not here in Washington. But that is not the policy of this administration. The policy of this administration is to essentially try to take control over local education, pull it into Washington through these categorical grant programs, and, at the same time, underfund the special needs program, putting the local school districts in the lose-lose position of having to pay the Federal share of special needs and they also have to do what the Federal Government wants it to do in other areas in order to get any Federal money at all—totally inappropriate and extremely prejudicial, especially to the local school districts and the special needs.

That is a long explanation, but it is an attempt to lay the groundwork for the purpose of my amendment. If we are going to bring more money back into the Federal Treasury under the control of Congress, which we should—and I think Senator FAIRCLOTH's amendment is appropriate in this area—we should not have this, for want of a better word, "slush fund" sitting there for the purposes and under the control of the Congress to spend, the \$5 billion. If we are going to bring that \$5 billion back into the control of the Congress, not only should we bring it back here, but we should spend it on obligations that we know we have, which are on the books and, specifically, special education.

So the vote on this Faircloth amendment really becomes fairly simple. To put it in its starkest terms, you can vote for a slush fund that may be used to bail out the Soeharto family, which is worth billions and billions of dollars in Indonesia, or you can vote for the special-ed child back in your hometown and your home State who needs the support of this Government and whom this Government said they were going to support. That is the vote. The choice is simple. I certainly hope that this Senate will come down on the side of special education.

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

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

PRIVILEGE OF THE FLOOR

Mr. McCAIN. Mr. President, I ask unanimous consent that Ann Sauer and Orlando Taylor of my staff be granted privileges of the floor during consideration of S. 1768, the 1998 emergency supplemental appropriations bill.

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

Mr. McCAIN. Mr. President, I yield the floor.

AMENDMENT NO. 2121

Mr. STEVENS. Mr. President, the Feingold amendment strikes the emergency designation for the Bosnian funds from the bill. This supplemental request is mandated by section 8132 of the appropriations bill for 1999. If the President certifies that the mission to Bosnia must continue, under the law this then continues. Bosnia costs are emergency, as Congress specifically funded only through June 30, 1998.

The problem we face now is the cost of the continued deployment has already been paid. The administration has sought to seek these funds to avoid damage to the readiness and the quality of life that the military faces, which is not currently deployed, but they may face missions, as I have told the Senate before, to Bosnia or Iraq within the remainder of this year.

The emergency designation allows those moneys necessary for this deployment to come out of the emergency fund rather than having to come out of reprogrammed accounts for the moneys we have already appropriated for quality of life and for readiness for the remainder of the force that is not deployed.

Under the circumstances, I agree with Senator FEINGOLD's position. We, however, thought we had a commitment that the troops would be out on July 1. I think the Senate realizes that. The President made the finding that the law required it if he was going to continue the deployment, and that is not only for 1998 but for 1999.

We will address, as we have already indicated with the comments of the

Senator from Texas, Mrs. HUTCHISON, today, the continued deployment in Bosnia at length during the consideration of both the authorization bill and the defense appropriations bill this year as we look to 1999. But for the purpose now of dealing with the continued deployment for the remainder of this year, I implore the Senator not to require, by striking the emergency designation, that these funds must be taken from other portions of the Department of Defense that are already accounted for in the appropriations we have made for those functions. And we would again just be doing that.

I feel like a white rat in one of those circular wheels. We just continue to go around and around. And we don't get anywhere if we appropriate money and we have to go back and take that money and put it into another purpose, particularly this late in the year.

It would also have a problem because some of the moneys that have already been committed would not actually be spent until 1999. We went into that yesterday in connection with another matter.

But, clearly, if we do not have the emergency designation, those moneys that are actually spent in 1999 will be counted against our allocation that we are already working on for 1999 in terms of the new bill for fiscal year 1999. And, unfortunately, the Congressional Budget Office has already told us we are \$3.7 billion short to meet the level of funding that is indicated in the budget.

There is this battle between the Congressional Budget Office and the Office of Management and Budget. This will add to that deficit. When we try to correct that deficit, it would mean the moneys that are basically emergency moneys to deal with the continued deployment through September 30 of this year must actually be counted against 1999. I have to tell you, Mr. President, that makes that problem of the deficit and defense allocation for outlays for 1999 even that much worse.

So, under the circumstances, I have no alternative but to urge the Senate to table the Feingold amendment. Let us deal with Bosnia in terms of the 1999 bill, and let us address the whole subject of the continued deployment and the funding for anything that goes on.

I will tell the Senate that it is not possible to get those soldiers out of there at one time. There has to be, if we are going to have a staggered withdrawal, a staged withdrawal, a downsizing to the point where we can do it legitimately, and without risk to anyone.

So I urge the Senate to support me in the motion that I am going to make in order to prevent us from forcing the Department of Defense to use moneys that have already been appropriated for other functions in the Department to pay the cost of this emergency caused by the President's determination that the troops will stay there after July 1.

I am about ready to make the motion to table. Before I do so, does the Senator wish to make one last statement concerning his amendment?

Mr. FEINGOLD. Mr. President, I thank the chairman for his courtesy, and I want to speak for just a minute in response to the chairman's remarks. I appreciate the remarks. I understand the difficult situation he is in.

But what I can't understand is why we let the administration and others who have represented to us certain limits with regard to the Bosnia operation put us in this position. The leadership of this body said this would cost \$2 billion, and that is it, and we would be there for 1 year, and that is it. Now it has cost \$8 billion and another \$½ billion. Yet they don't provide us with a way to prepay for it. They don't tell us how to offset it. But what they are, in effect, asking us to do—forcing us to do—is to take this out of Social Security. It is deficit spending. It is deficit spending. Sometimes we have to do it, as the chairman has pointed out, in true emergencies. Some of what is in this bill I can't deny involves true emergencies, such as tornadoes and floods. But why should we let this administration put us in the position of having to deficit spend to add onto what is already a quadruple of the \$2 billion we were promised this would cost?

So, Mr. President, all we are trying to do is have a little truth in budgeting here, remove the emergency designation, and have an honest accounting of how this should be paid for.

But I sure want to recognize the chairman's challenge in this area. It is very difficult. In effect, he and others are being forced to have to do this in a situation that isn't appropriate. The administration and others should have identified an offset.

Thank you, Mr. President.

Mr. STEVENS. Mr. President, I move to table the Feingold amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska to lay on the table the amendment of the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 92, nays 8, as follows:

[Rollcall Vote No. 41 Leg.]

YEAS—92

Abraham	Bryan	Conrad
Akaka	Bumpers	Coverdell
Allard	Burns	Craig
Baucus	Byrd	D'Amato
Bennett	Campbell	Daschle
Biden	Chafee	DeWine
Bingaman	Cleland	Dodd
Bond	Coats	Domenici
Boxer	Cochran	Dorgan
Breaux	Collins	Durbin

Enzi	Kennedy	Robb
Faircloth	Kerrey	Roberts
Feinstein	Kerry	Rockefeller
Ford	Kyl	Roth
Frist	Landrieu	Santorum
Glenn	Lautenberg	Sarbanes
Gorton	Leahy	Sessions
Graham	Levin	Shelby
Grams	Lieberman	Smith (NH)
Gregg	Lott	Smith (OR)
Hagel	Lugar	Snowe
Harkin	Mack	Specter
Hatch	McCain	Stevens
Helms	McConnell	Thomas
Hollings	Mikulski	Thompson
Hutchinson	Moseley-Braun	Thurmond
Hutchison	Moynihan	Torricelli
Inhofe	Murkowski	Warner
Inouye	Murray	Wellstone
Jeffords	Reed	Wyden
Kempthorne	Reid	

## NAYS—8

Ashcroft	Gramm	Kohl
Brownback	Grassley	Nickles
Feingold	Johnson	

So the motion to lay on the table the amendment (No. 2121) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from North Carolina.

## AMENDMENT NO. 2103 WITHDRAWN

Mr. FAIRCLOTH. Mr. President, I make a motion to withdraw the amendment that I had introduced, No. 2103. It was introduced yesterday. I would like to withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 2103) was withdrawn.

Mr. STEVENS. Mr. President, I thank the Senator from North Carolina. It does relieve a problem we are developing here.

## AMENDMENT NO. 2122

Mr. STEVENS. Under the previous agreement we have, it is my understanding now that the pending business will be amendment No. 2122, offered by Senator BOND. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. D'AMATO. Mr. President, I rise in strong support of the amendment offered by my friend and colleague, Senator KIT BOND. I am pleased to cosponsor this measure. This amendment will help address the devastating effects of the 100-year ice storm which tore through the north country of New York and the Northeast this past January.

The amendment will provide \$260 million in community development block grant (CDBG) funds to State Governments for recovery efforts in federally-declared disaster areas. The CDBG program has the advantage of providing states and localities with a great degree of flexibility in meeting local needs and can be used in the emergency context to fund home repairs, debris removal and the restoration of electrical power to low and moderate income families.

Mr. President, the six counties in New York which were declared federal

disaster areas—Franklin, St. Lawrence, Essex, Clinton, Lewis, and Jefferson—comprise a 7,000 square mile area. This represents an area roughly the size of Massachusetts. Tens of thousands of homes in this area suffered structural damage from ice, severe winds and subsequent flooding. Families were displaced and electricity to over 400,000 people was cut off. The entire high voltage transmission system for this area was wiped out and replaced in a three-week period.

This amendment will provide much-needed relief for New York homeowners and ratepayers. This assistance is vital to repair storm-related damage to the homes of the families of the north country. Unfortunately, assistance from the Federal Emergency Management Agency (FEMA) and Small Business Administration (SBA) disaster loan programs have not met all the needs of affected families. These funds will help homeowners repair damaged roofs, plumbing and heating systems.

In addition, this amendment will also help to address the massive costs associated with the near-total devastation of the region's electric power system. During the storm, nearly 10,000 utility poles were destroyed—many literally snapped in half. Repair crews worked 16- to 18-hour shifts—often in sub-zero conditions in the dead of night—removing downed utility lines, fallen trees and debris, removing destroyed poles from the frozen ground and drilling holes for new poles.

Line crews and tree-cutting crews were brought in from other regions of New York State, as well as from Pennsylvania, Vermont, Connecticut, Michigan, Virginia, and North Carolina. These crews replaced hundreds of miles of electrical cable, 150 two-pole 90-foot-tall transmission towers and over 2,000 transformers. The equipment and materials for this undertaking had to be brought in from as far away as Oregon, Florida, Georgia, and Nevada.

Mr. President, without this funding, the costs incurred by this massive restoration effort could be passed on to the utility ratepayers of New York. New York currently has one of the highest electric rates in the nation—some 40% higher than the national average. The hard-working families of the north country who have bravely endured the ice storm should not have to suffer additional increases in their utility bills.

Mr. President, I commend Senator BOND for including language in this amendment which will ensure that these funds are allocated in a fair and cost-effective manner. Specifically, the amendment provides that funds should be dedicated to states based on unmet needs which have been identified by the Director of the Federal Emergency Management Agency (FEMA). By providing a role to the Director of FEMA, the amendment will help ensure a fair distribution of funds.

FEMA has made an excellent start in identifying unmet needs which have

not been addressed by other federal disaster assistance programs. The February 1998 FEMA Report, "A Blueprint for Action," clearly identifies the principal unmet needs of New York and the Northeast region resulting from the ice storm. Under the terms of the amendment, the Department of Housing and Urban Development (HUD) will take into account the costs associated with these unmet needs in making allocation decisions. The amendment effectively addresses concerns which have been raised regarding HUD's past distribution of emergency CDBG funds. Under some previous allocations, large states have fared poorly. Specifically, HUD has at times used a ratio which unfairly penalized states with larger gross products. This amendment effectively addresses those concerns and makes clear that funding allocations are to be based on needs which cannot be addressed through other federal disaster programs.

In addition, I support Senator BOND's inclusion of a requirement for a State match of public or private funds. This provision is consistent with other federal disaster programs and will help leverage additional resources for disaster recovery efforts. This matching requirement will also give States an added incentive to ensure that funds are used in a cost-effective and efficient manner.

Mr. President, this amendment is a necessary and vital step to help the families of the north country recover from the devastation caused by the ice storm. These funds will bring much-needed relief to a region which has suffered terrible loss from this natural disaster.

Once again, let me thank Senator BOND for offering this important measure and providing assistance to the people of New York. In particular, I thank Senator SNOWE for her efforts on behalf of the Northeast States affected by the ice storm. Also, my friend Senator MOYNIHAN deserves praise for his efforts on behalf of the people of the north country. He has helped ensure that their voice has been heard here today. Finally, I would like to thank Senator TED STEVENS, the chairman of the Appropriations Committee, for his diligence in bringing this amendment up for consideration by the Senate. I urge its immediate adoption.

## FUNDING INCREASE

Mr. President, at this point I would like to engage my good friend Senator BOND, the Chairman of the VA-HUD Appropriations Subcommittee, in a colloquy regarding the amendment to provide critically needed funding to the emergency CDBG program. I appreciate your efforts to increase the funding provided by this amendment from \$200 to \$260 million. As the Senator is aware, this additional funding is vital to ensuring that the States in the Northeast which were devastated by the ice storm receive adequate funding to speed this recovery.

Unfortunately, while both the Small Business Administration and the Federal Emergency Management Agency (FEMA) have contributed significant resources to homeowners in the region—the funds provided have been insufficient to address the full impact of the storm. For instance, while FEMA's Individual and Family Grant Program has helped hundreds of families, thousands of other families—including low-income and elderly persons—have been unable to access the program because of FEMA's daunting application procedures.

Together with the 25-percent matching requirement which was included in the amendment this funding increase will help the areas affected by the ice storm get back on their feet.

Mr. BOND. I thank Senator D'AMATO, the chairman of the Ranking Committee which has jurisdiction over the Community Development Block Grant Program for his kind words. It was a pleasure to work with you to ensure that the Supplemental Emergency Appropriations Act contains sufficient funding to help impacted areas recover from natural disasters. Specifically, I commend the Senator from New York for his diligence in ensuring that the full scope of the impact of the ice storm in the Northeast was made known to the Appropriations Committee. Without his efforts, and those of his colleagues, many of the needs of the people of New York and the entire Northeast region might not have been fully addressed. Given the circumstances which have been brought to our attention, the committee believes the additional \$60 million is fully justified and will help the residents of the area recover from the ravages of the ice storm.

Mr. D'AMATO. I thank the Senator and appreciate his willingness to address our concerns.

Ms. SNOWE. Mr. President, 1998 will long be remembered in the State of Maine as the year of the Ice Storm. In early January the state was coated with more than three inches of ice—the result of a once in a lifetime storm that left more than 80 percent of the State without power.

It was an extraordinary event—both for the way the people of Maine pulled together and for the damage it did to the state's utility infrastructure. The reaction of the people of Maine was proof positive that "Maine: the way life should be" is not just a slogan, it is a fact. I was overwhelmed by the resiliency and compassion I witnessed across the state last month, and Senator COLLINS and I shared our thoughts and our praise for the people of Maine on the Senate floor.

We have worked, along with our colleagues from Vermont, Senators JEFFORDS and LEAHY and New York, Senators D'AMATO and MOYNIHAN, to obtain additional federal assistance, through the Community Development Block Grants Program (CDBG) to help cover damage done in the state that

FEMA did not cover. Specifically, the damage done to the state's utility infrastructure.

I appreciate the assistance provided to us by the Chairman, the Senator from Alaska, Mr. STEVENS, Chairman BOND of the VA/HUD Subcommittee, and the Ranking Member of that Subcommittee, Senator MIKULSKI in crafting this amendment. The amendment, which I am cosponsoring, will provide \$260 million for the CDBG program. This money will allow states, like mine, that have been declared disaster areas, to obtain CDBG money to address the unmet disaster needs—or fill the gaps—that FEMA has identified.

In Maine, the biggest cost of the storm was the damage done to the utility infrastructure. Vice President GORE, during a visit to Maine on January 15, summed up the situation succinctly when he said "We've never seen anything like this. This is like a neutron bomb aimed at the power system".

The combination of heavy rains and freezing temperatures left the State coated with more than three inches of ice. The weight of this ice downed wires, toppled transformers and snapped utility poles in two. At the peak of the storm 65 percent of the customers—more than 275,000 households served by Central Maine Power (CMP) Company were without electricity. Bangor Hydro Electric Company had 75 percent of its customers—more than 78,000 without power.

In fact at the height of the storm more than 80 percent of the entire State of Maine was in the dark.

It took CMP, which supplies power to 77 percent of the State, 23 days to restore power to all its customers. They did it with 1,048 crews working around the clock and running up 177,000 hours of overtime. They had to secure downed wires, replace more than 1 million feet of cable, 3,050 utility poles and 2,000 reformers. They have estimated the cost of this heroic effort to be \$74 million.

Bangor Hydro nearly tripled the number of crews it normally used—going from 40 to 117 and put in an estimated 54,402 hours on storm damage. Their crews worked more overtime in January than they did in all of 1997. And once they completed their restoration efforts, they loaned crews to CMP. They estimate they spent more than \$7 million to bring all their customers back on line.

My colleagues will tell similar stories, Mr. President. The rain and freezing temperatures proved to be a fatal combination for the utility infrastructure. As Maine Governor Angus King said "If you designed a storm to take out the electrical system, this was it".

I cannot offer enough praise to the men and women of Maine's utilities and their brethren who came in from all over the East Coast—including several crews from my good friend, Senator MIKULSKI's home state of Mary-

land. These crews faced freezing temperatures and hazardous situations as they worked to kill live wires and free remaining wires from the downed trees and poles. They worked round the clock until the light was back on in every house in the State. As we say in Maine, they are the "Finest Kind".

And the federal response was just as important and just as swift. The Federal Emergency Management Agency (FEMA), the Small Business Administration, the Department of Defense—all answered Maine's call for immediate help. We truly appreciate it, Mr. President, and like many of my colleagues whose states have suffered from mother nature's rage, I have seen first hand how vital the federal response is in the early days of a disaster.

Once we were assured of federal assistance and the agencies were in the State and working, the Maine Congressional Delegation asked the Governor what else was needed. He told us they needed federal assistance to cover the extraordinary costs associated with the destruction of our utility infrastructure. And he asked the President to include supplemental funding for this purpose, as did the Governors of Vermont and New York.

The Stafford Act which provides FEMA's guidelines for assistance covers public power. It will reimburse 75 percent of the costs related with a disaster. But because Maine and much of the northeast have investor-owned utilities as opposed to government-owned utilities, we are ineligible to receive assistance from FEMA for this purpose, despite the fact that it is the greatest cost of the storm. When we learned this, we went looking for other sources of federal assistance, but we could find nothing that could address the magnitude of the costs of this storm.

Without assistance, the utilities in the states of Maine, Vermont and New York will have to pass these costs onto the ratepayers, who already pay some of the highest rates in the country for electricity. Maine's residential rate is 48 percent higher than the country's average and New York pays the highest rates in the country. Vermont pays 28 percent more than the national average.

Yet these ratepayers—who also happen to be taxpayers—have helped pay the bill for FEMA assistance for utilities in other states, with lower rates, when they were faced with disasters of their own.

The CDBG funding provided in this amendment will allow Maine and the other northeast states to apply to HUD for funds to reimburse the utilities for the huge cost of repair and recovery. FEMA has identified utility costs as the major unmet need from the Ice Storm of 1998.

Mr. President, I know that some of my colleagues are wondering the States have asked for assistance for private companies. But a utility is a

unique animal. Whether it is a public or private utility is immaterial to the role it plays. It provides a public service and it has an obligation to provide that service 24 hours a day, 7 days a week, 365 days a year—rain or shine, tornado or flood, ice storm or earthquake.

The fact is that these utilities didn't shut down like many private businesses did during the ice storm—because they couldn't. They had to protect the public from the danger of live, downed wires and from freezing to death in their own homes. It was a matter of public safety—not a business decision. They had to right downed poles, replace crumpled transformers and get the power back on.

They did not have the luxury of sitting down and saying "this is going to cost us a bundle, our stockholders won't like it, we should take a pass". They couldn't. They provide a public service, and they had an obligation to the people they served to restore power as quickly as possible.

In a letter to Vice President GORE, Governor King explained:

It is important to emphasize that this cost . . . was purely a function of protecting the life and safety of our people. . . . the quick restoration of power . . . was not a matter of convenience, but was an unequivocal necessity.

The amendment we have worked out with the Committee will provide \$260 million in supplemental funding to HUD for the CDBG program. This money, which will go to the states, can be used for a number of activities, including reimbursement of costs to privately owned utilities. HUD regulation 24 CFR Section 570.201(l) states:

CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately owned utilities. . . .

And HUD Secretary Cuomo has assured Maine that if funds are appropriated, they can be used for this purpose.

In its Ice Storm "Blueprint for Action" FEMA, which listed utility costs as the top unmet need, noted:

(The) HUD Community Development Block Grant Program can supplement other federal assistance in repairing and reconstructing infrastructure, including privately-owned utilities. . . .

In fact, this amendment, Mr. President, asks for the same assistance this Congress gave to Minnesota, North Dakota and South Dakota last year in an effort to help these states get back on their feet after they had been ravaged by the worst flooding in 100 years. In the FY97 supplemental, \$500 million was appropriated for CDBG to help with disaster assistance. The Northern States Power Company applied to the State of Minnesota for funding and was turned down. Minnesota could have provided them with the funding, but chose not to. The same utility has applied to Grand Forks, North Dakota—a CDBG entitlement city—for funding and is still waiting for a response.

Again, Grand Forks can give the money to the utility or turn them down—it is their decision.

Another concern that has been raised is the issue of accountability. How do we know that this money will cover only those costs related to the ice storm and not be used by the utilities to upgrade their infrastructure? Again, the answer lies in the fact that utilities are unique. They are regulated at the State level, and they must justify their costs to the regulators who allow them to recover only those incremental costs directly attributable to the ice storm. In addition, the bulk of the costs associated with this storm are related to the cost of labor—not to the cost of new equipment.

In Maine, the Public Utility Commission issued an accounting order on January 15 that required the utilities to segregate their storm related costs. The PUC just started an audit of these accounts. If our amendment is adopted, Maine will receive additional CDBG money that it will provide to the utilities to cover only those incremental costs the PUC says are prudent and directly related to the storm.

Without this additional assistance, the ratepayers of Maine will cover the costs through rate increases. CMP has said it will need a ten percent rate hike to cover its costs so 77 percent of the utility customers in Maine will pay 10 percent more. Bangor Hydro has said its rates will need to increase three percent to cover the storm costs.

One question I asked myself was what about insurance? The utilities do have insurance, and it is determined by their regulating body. The coverage, a dollar figure determined on past risk experience, is set aside. For CMP that is \$3.9 million, enough to deal with several major outages—20,000 to 40,000 households—a year.

Because of the extensive damage done to utilities as a result of Hurricanes Hugo, Iniki and Andrew, the ability of utilities to obtain traditional insurance coverage has become very costly. CMP was offered one policy that provided \$15 million worth of coverage. To get this coverage, the deductible was \$5 million and the yearly premium was another \$5 million. So, they were being asked to pay \$10 million to get \$5 million worth of coverage. Even with this coverage, Mr. President, CMP would have been left with \$54 million in uncovered costs.

The fact is that the 1998 Ice Storm was a 100 year storm. The Chair of the Historical Committee of the American Meteorological Association, who happens to reside in Maine, has said that "So far this century, there has been nothing like it. It will probably make the meteorological text books—even history books—as one of the biggest storms ever."

To put this storm into perspective, I want to share a comparison of the damage done by Hurricane Gloria in 1985 and Hurricane Bob in 1991 with the Ice Storm of 98. The Ice Storm destroyed

3,050 utility poles compared to 350 as a result of Hurricane Bob. One million feet of cable had to be replaced in January compared with 52,000 feet in 1991. It took 1,048 crews working 23 days to restore power to everyone in January. It took 320 crews working 8 days to restore power after Hurricane Gloria.

The Ice Storm was simply unprecedented. Nothing had caused damage that even comes close to the Ice Storm. The utilities self-insured for the types of storms they were used to dealing with. They couldn't insure for this storm—because it was completely outside the realm of their experience and therefore, their expectations.

And it is because the Ice Storm was a once in a hundred year storm that the people of Maine, and Vermont and New York have asked the federal government for assistance in addressing the costs associated with it. Without this assistance the ratepayers will be asked to bear the burden of a rate hike. This will be in addition to all the other storm-related costs they have already paid.

Many of my colleagues know, from the experiences in their own states, the true costs of a disaster. Based on this experience, I would ask them to lend their assistance to the people of Maine, Vermont and upstate New York to provide this much needed assistance, and I urge them to support this amendment.

Ms. COLLINS. Mr. President, I am delighted to be joining Maine's senior Senator and a number of my other colleagues in sponsoring an amendment to the FY 98 Defense/Disaster Supplemental Appropriations bill that will provide \$260 million in additional funding for HUD's Community Development Block Grant program.

This money is urgently needed to assist the people of my State recover from the worst natural disaster in Maine history. I refer, of course, to the unprecedented Ice Storm that began, innocently enough, as a light rain on the morning of January 7, 1998 and ended four days later with our State encased in as much as 10 inches of solid ice. The additional CDBG funding will help not only Maine, but New York and Vermont as well, rebuild the electric infrastructure of our three states.

I want to pay a special thanks to the Chairman of the Appropriations Committee, to the Chairman of the Subcommittee on VA, HUD, and Independent Agencies, and to all of the Committee members for recognizing the harm caused by the Ice Storm and for providing a mechanism whereby we can secure sorely needed aid. Their cooperation is greatly appreciated by the people of Maine.

Mr. President, the Ice Storm of 1998 was unlike anything Maine had ever seen. Having grown up in the most northern part of the State, I know something about ice and snow. But this was less like a storm and more like a carefully targeted and highly effective attack on our electric transmission and distribution system. The damage

to that system in Maine alone was \$81 million, a formidable sum for the ratepayers of a small state.

Mr. President, there is an erroneous belief in some quarters that because the CDBG money would be used to rebuild the electric infrastructure of investor owned utilities, it will benefit a private corporation and its shareholders. That is not the case. Under the law, a utility earning less than its allowed rate of return, as is the situation with the two Maine utilities, is constitutionally entitled to pass along prudently incurred costs to its ratepayers. And there can be little doubt that the cost of rebuilding the system by which electricity is delivered to our homes and businesses is not only a prudent cost, but indeed, a cost that must be incurred.

Let me make this point somewhat differently. Without federal help, the money to rebuild the system will not come from corporate coffers. It will not come from the pockets of company executives. It will not come from the dividends or equity of shareholders.

Who will bear the expense? It will be the elderly widow who heats her mobile home with electricity and is already struggling to pay her bills. It will be the small company that uses electricity in its manufacturing process and is already fighting an uphill battle because its power costs are 40% above the national average. Indeed, it will be virtually all Maine's ratepayers, who because we all use electricity, are really the same as Maine's taxpayers. That makes them the very people who have paid their fair share to help defray the costs of natural disasters that have struck other regions.

Mr. President, let me dispel another potential misconception. This assistance will not result in special treatment for the citizens of Maine, New York, and Vermont, but rather put them on an equal footing with people in other parts of the country.

To be more specific, it is well established that federal emergency aid can be made available to municipally owned utilities and electric cooperatives. Some might argue that ours is a different situation, in that we are dealing with investor owned utilities. Once again, that argument would make sense if the utility stood to benefit from the relief. But it is the ratepayers who will be assisted by this amendment, and there is no reason why the victims of a natural disaster should be helped if they are customers of a municipal utility or an electric cooperative but not if they are customers of an investor owned utility.

Mr. President, in the case at hand, the utilities are really like the post office. They deliver the bills; they do not pay them. Without the CDBG money made available through this amendment, the people who will pay are those to whom the bills will ultimately come—the ordinary citizens of Maine, New York, and Vermont. And since, unlike a progressive tax system, electric

rates are not based on income, those who will be hurt the most will be those least able to afford it.

Let me also emphasize that to use the money provided by this amendment to rebuild our electric infrastructure does not require legislation to authorize a new type of spending. That authority is already found in existing HUD regulations. To quote the relevant language,

CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines of privately owned utilities. . . .

In short, this amendment provides the funds to carry out an already existing program under circumstances where that program is urgently needed by the citizens of our three states.

To give my colleagues a better understanding of the source of that need, I would offer a description of the storm not in my words but in the words of "The President's Action Plan for Recovery from the January 1998 Ice Storm."

The storms of January 1998 will not soon be forgotten. . . . While ice storms are not uncommon to the region, the system that battered the . . . region in early January was unprecedented. Below-freezing temperatures combined with record rainfall to cover an area extending from Western New York to Maine with solid ice. . . .

The results were staggering. Massive tree limbs shattered under the weight of the ice, choking roads and trails with wood debris. Power lines snapped, leaving communities without electrical power in bone chilling temperatures. At the height of the crisis, nearly 500,000 homes and businesses were without electric power.

Of greatest significance is the following observation in the President's report: "The single most critical concern is the loss of electric power caused by the storm."

Let me supplement the description in the President's report with facts from Maine. For at least some part of the storm, more than 800,000 people, or seven out of every ten of our residents, lost power. In most instances, they went without electricity for days, lasting in some cases as long as two weeks. When you contemplate this, keep in mind that it occurred in the dead of winter—not a Washington winter but a Maine winter.

The storm spared no one. Not homes, not businesses, not public buildings. Schools across the southern half of the State closed, causing some to cancel their winter vacations to make up part of the lost time. Even the National Weather Service in Gray, Maine lost power for more than a week, during which time it struggled mightily to track weather developments with a less than fully reliable generator. For many, the experience was like the movie, "The Day the Earth Stood Still." Only it lasted far more than a day and occurred during the most difficult time of year.

The restoration of power involved a monumental effort taking 17 days. Twelve hundred utility crews from as

far away as Nova Scotia, North Carolina, and Michigan were sent to Maine to help with the effort. Approximately 3000 utility poles and three million feet of electric cable had to be replaced. All of the poles in one ten-mile stretch were down, cutting off power to a large section of a rural county. In the words of Maine's Governor, it seemed like a huge monster had walked across the state deliberately stepping on all of the electric lines in its path.

As if guided by a perverse force, the Ice Storm of 1998 struck a region with some of the highest electric prices in the country. The rates in both Maine and the affected areas of New York are 40% above the national average. Thus, without this federal assistance, the rebuilding costs will fall on some of our country's most heavily burdened ratepayers.

Some of the areas hit by the storm were already economically distressed. Indeed, looking at the entire region, one observer has concluded that the victims of the storm were predominantly persons of low and moderate income who, even without increased electric rates, have been seriously harmed by this disaster.

Mr. President, the two utilities serving the areas affected by the storm in Maine are not wealthy. Indeed, one has been wrestling with serious money problems, and the financial performance of the other has been mediocre at best.

Furthermore, while they are private companies, they are also public utilities. When the ice storm hit, they could not shut down operations. They could not leave the state until times were better. To the contrary, they had a legal and moral obligation to do whatever it took to restore power to people desperately in need of electricity. While their performance will ultimately be judged by the State Public Utilities Commission, there is no evidence that they made anything less than a maximum effort to discharge their public responsibility.

Under these circumstances, should the utilities be able to recover from the ratepayers the cost of rebuilding Maine's electric infrastructure? I would be hard pressed to say that would be an unreasonable result, but in the final analysis, my opinion is irrelevant. What matters, and the only thing that matters, is that the law mandates such a result.

Mr. President, on a comparative basis, Maine is not affluent, but its people have a generous spirit. They believe in helping their neighbors, whether those neighbors live across the street or 3000 miles away.

They have gladly paid their fair share to help their neighbors in California recover from earthquakes, to help their neighbors in the Midwest recover from floods, and to help their neighbors in the Southeast recover from hurricanes. Their generosity has to not been limited to money, as they have sent men and women to fight forest fires in the Northwest. They have

not split hairs over the precise source or nature of the harm. As long as the ultimate victims of a disaster have been ordinary citizens like themselves, they have stood ready to help.

Mr. Chairman, the situation has changed, and we are now the neighbor in need of assistance. By making funds available to help us defray the costs of rebuilding our electric infrastructure, our neighbors will be treating us as we have treated them.

Mr. LEAHY. Mr. President, I would like to join Senator SNOWE and my other Colleagues from the Northeast in thanking Senator STEVENS and Senator BYRD for agreeing to include emergency Community Development Block Grant (CDBG) funding in the disaster supplemental. This funding is desperately needed to assist in recovery in areas where there are significant gaps in existing disaster programs.

On January 9, the Northeast was hit by an ice storm of an unprecedented scale. The storm downed trees and power lines throughout the northeast. In Vermont, one power company alone replaced more than 50 miles of power lines and 200 power poles. Crews came from as far away as Hawaii to aid in the effort to restore power to the 10,000 people left without electricity for up to 11 days during what is traditionally one of the coldest months of the year. Damage to Vermont utilities was extensive in the six counties declared disaster areas, with storm damage totaling over \$9 million. Of that, only \$552,648 was covered by FEMA.

The storm was unique in the type of damage it inflicted—buildings, roads, and water and sewer systems were left largely untouched, but electric utility lines and trees were wiped out completely in some areas and suffered significant damage throughout the region. This is not the kind of damage traditional disaster programs were designed to address, as the "Blueprint for Action" report FEMA produced after the storm makes clear. According to that report "the single most critical concern is the loss of electric power caused by the storm."

The Community Development Block Grant program is designed to provide flexible funding to promote economic development. That is exactly the kind of assistance needed to repair the damage to the power infrastructure in the Northeast. The most serious concern raised by the damage to the utility system is the cost it will impose on all Vermont rate payers. At 11.29 cents per kilowatt hour, utility rates in New England are already 64% higher than the national average. This increased cost of doing business is a significant hurdle to attracting and keeping businesses in Vermont. The cost of the storm damage is expected to force some utility companies to seek further increases in electric rates. Any increase would be a serious blow to economic development throughout the region.

The need for Federal assistance to recover from the ice storm is not the re-

sult of poor planning on the part of the utilities. All of the affected utilities built average annual storm damage costs into their rate structure. However, the cost of this one storm was so extraordinarily high, that it dwarfed those set-asides. One company is facing damage from this one storm equal to eight times its annual budget for emergency repairs. This is not a cost that these companies can just absorb.

The need for emergency CDBG funding is clear. I strongly support this amendment and urge my colleagues to do so as well.

Mr. STEVENS. Mr. President, 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. STEVENS. 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 Senator from Alaska.

Mr. STEVENS. Mr. President, the pending amendment, No. 2122, is the CDBG amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, this amendment will provide \$260 million for emergency Community Development Block Grants that will fund disaster relief, long-term recovery, and mitigation in communities affected by Presidentially declared disasters that have occurred in this fiscal year, 1998. This funding is needed to supplement funding provided through the more traditional emergency disaster programs under the Federal Emergency Management Agency, FEMA, the Small Business Administration, SBA, and the Army Corps of Engineers.

I have concerns about using CDBG funds for emergency purposes, especially since the Department of Housing and Urban Development did not really provide adequate data and accountability concerning the use of these emergency CDBG funds in the past. Nevertheless, this legislation is designed to ensure that funds go to disaster relief activities that are identified by the Director of FEMA as unmet needs that have not been or will not be addressed by other Federal disaster assistance programs.

In addition, to assure accountability, States must provide a 25 percent match for these emergency CDBG funds and HUD must publish a notice of program requirements and provide an accounting of CDBG funds by the type of activity and the amount of funding and the recipient.

Mr. President, I know of no opposition to this amendment. I ask for the immediate adoption of this amendment.

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

The amendment (No. 2122) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, as I understand it, we will now move to amendment No. 2123, which is the FEMA amendment.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 2123

Mr. STEVENS. Mr. President, is this amendment before the Senate?

The PRESIDING OFFICER. Yes; the Senator is correct.

Ms. MIKULSKI. Mr. President, I rise today to support this amendment to the fiscal year 1998 emergency supplemental bill.

But first, let me extend my deepest sympathies to those communities and families who have had to deal with the loss and anguish caused by the terrible natural disasters over the last 6 months.

From the ice storms in New England that left thousands without power, to the devastating floods in California, and the deadly tornadoes in Florida. Across this country in these States and in others, we have seen the destruction and despair that nature can cause.

I know all Marylanders join me in extending our thoughts and prayers to everyone impacted by the recent disasters.

Mr. President, this amendment will provide \$1.6 billion to the Federal Emergency Management Agency to meet its requirements for fiscal year 1998 and prior years.

Mr. President, FEMA is the Government's "911" agency. It is crucial that FEMA have the resources necessary to provide the type of response that our communities so desperately need.

I am pleased that we are finally providing this money as emergency money—off budget. As you know, the VA-HUD subcommittee is annually raided to provide funds for disasters in our emergency supplemental appropriations bill.

Often, the result is that we have to make decisions about cutting critical programs at agencies like the VA, HUD, EPA, NASA or the National Science Foundation to provide funds for the much needed emergency recovery efforts.

Mr. President, this amendment also provides \$260 million for the HUD emergency community development block grant—CDBG—account. This money will be used to provide funding for several critical needs:

For disaster recovery needs in communities that are not covered by FEMA, SBA or the Army Corps of Engineers.

This money is designed to fill the gap for legitimate emergency needs.

Mr. President, I am a strong advocate for fiscal prudence. I am also a strong believer in the notion that this is a Government "of the people, by the people and for the people".

The emergency funds provided with this amendment is our way in Congress, in a clear way, of working for the people. When people are suffering, trying to rebuild lives, homes and communities, it is no time to be partisan. The citizens we serve deserve a swift, decisive and effective response.

I am proud that we are working in a bi-partisan way with this amendment to provide the resources necessary to ensure that the agencies responsible can respond to the real needs of our people.

I urge my colleagues to support this amendment.

Mr. STEVENS. Mr. President, this amendment would replenish FEMA's disaster relief fund by \$1.6 billion, as requested by the administration, consistent with FEMA's current estimate of the additional funds needed to meet the fiscal year 1998 and prior year disaster requirements.

So far this year, there have been Presidential disaster declarations in 17 States and territories. These disasters include snowstorms, typhoons, tornadoes, flooding, and ice storms. Most of these disasters have been related to the weather phenomenon we now know as El Nino.

While funds are currently available in the disaster relief fund, there are not sufficient funds on hand to meet the total costs which are estimated to stem from current disasters. In fact, FEMA estimates it will need every penny currently in the disaster relief fund to meet the existing cost projections of more than \$3 billion from the disasters that have occurred prior to fiscal year 1998.

Included in the \$1.6 billion appropriations request are funds for disasters which are also anticipated to occur in fiscal year 1998 based on the 5-year historical average cost of disaster relief. To date, FEMA disaster relief has been running very close to that 5-year average, despite the fact that a number of Senators and some people have raised questions about there being more damage that is caused by El Nino than has been caused in recent years.

I support FEMA's expeditious provision of aid to many of the needy communities that are stricken by disasters and wish to be sure that the disaster fund is fully funded, but, as I stated yesterday, I continue to be deeply concerned about the cost of disaster relief. Each year, we are seeing these costs rise exponentially, and the need for cost containment now is paramount. I urge the authorizing committees to look at these costs and determine if there is some way to reduce the costs for these funds. In the last 5 years, we have appropriated a staggering \$18 billion to FEMA for disaster relief compared to \$6.7 billion for the prior 5-year period. Clearly, the costs associated with disaster relief are growing out of control.

Unfortunately, we also have learned over the past few years that disaster funds have gone to some facilities like

golf courses or to refurbish shrubbery in high-income communities, to facilities associated with universities that already have impressive endowments and revenue-generating capabilities, and to provide housing assistance to some who are really not in need. I really hope that the administration will realize it must put controls on these expenditures if FEMA is to continue to get the support of the Congress.

Moreover, Senator BOND, over the last few years, has pushed FEMA to submit a legislative plan of reforms to control disaster costs. With some reluctance, FEMA did submit a proposal for reforming the Stafford Act last summer. The proposed amendments address several very important areas, including new incentives for mitigation, streamlining the grant process, and eliminating certain facilities currently eligible for disaster relief, such as I said, golf courses. It is critical that this FEMA reform legislation be acted upon by the authorizing committees this year, and I urge them to work with Senator BOND to enact these reforms.

Meanwhile, while it is clear that we expect and need reform of FEMA programs, we also believe that Congress must complete action on this disaster relief funding legislation as quickly as possible, so that the disaster needs of our communities can be met.

I see the Senator from Oklahoma is here. I wish to state, I did reconsider the vote on the prior amendment. I did not know whether it was this amendment or the prior amendment that the Senator wished to address. If he wishes to address the first one, I will be happy to withdraw that and bring it back to where the Senator can offer an amendment to it.

Mr. NICKLES. If the Senator will yield, I appreciate his willingness to do that, because I am opposed to both amendments. I do not find that to be necessary. I will confine my remarks to this amendment. My guess is the outcome would be identical. But I feel rather strongly about it.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I notice my colleague from Missouri is here. He is in charge of the subcommittee with responsibility for FEMA. He may want to make some comments on this amendment. Does the Senator from Missouri want to speak on this?

Mr. STEVENS. I will say for the Senator, I have just read his remarks.

Mr. BOND. I thank the chairman.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, yesterday Senator GRAMM had an amendment that said let's fund the 1998 emergencies and we will call it an emergency; we don't have to have an offset. That was the underlying bill. The underlying bill had money for defense, money for Iraq, money for Bosnia, money for the so-called emergencies—weather-related emergencies. I thought

he had a good amendment. I did not speak out on the floor, and I wish I had. That was on the underlying bill, which is about \$3.3 billion. Now we are looking at an amendment to expand that bill by an additional \$1.6 billion. I ask the Senator from Missouri, is that correct—\$1.6 billion for FEMA?

Mr. BOND. That is correct. The amendment would appropriate an additional \$1.6 billion for FEMA.

Mr. NICKLES. The reason I ask the question is because I have heard this figure bandied around the last few days. But anyway, FEMA did not request any money initially. This is a late request. This is a late request, and the Senators from Missouri or Alaska can correct me if I am wrong, this request did not come in from the administration when they were marking up the bill; this request just came in late: "Oh, we need an additional \$1.6 billion for disasters that we think might happen. And, oh, yes, we want to call it an emergency."

What does that mean? By calling it an emergency means there will be no offsets. These emergencies have not happened yet, but we are basically going to take this \$1.6 billion, and most of the money, I might mention, will be spent in 1999 and the year 2000, maybe 2001. The money is going to be spent in the future, but, "Oh, we don't have to put that in the budget."

I am on the Budget Committee, and we had an agreement. The President signed that agreement, and he said, "Here's how much money we are going to spend on discretionary accounts," and we passed it. The President in his State of the Union Address bragged about how good that is: "Boy, now we have a balanced budget. We are going to have a balanced budget for a long time because we worked together."

Well, this is voiding that agreement. This is saying, let's take \$1.6 billion for the future and we are going to call it an emergency and, therefore, we don't have to have any offsets—none. It is just going to come out of, I guess, the surplus.

Guess what? The budget that we are going to be considering next week talks about the surplus. Senator DOMENICI did a very good job in working it through. Guess how much the surplus is in the year 2000 when probably most of this money would be spent. The surplus is \$1 billion. And we are working on an emergency supplemental, if we adopt this amendment, which will be over \$5 billion and probably a couple billion of that will be spent in the year 2000. In other words, certainly if we adopt this amendment, we are going to be spending 100 percent of the surplus in 2 years. And we are spending real money.

I just don't think we should do it. If FEMA wants to ask for this money, it should be in their budget. They come before the appropriators. Senator BOND does a very capable job in that subcommittee. They can come up and say, "Here is the historical average; therefore, we should have a couple billion

dollars a year in FEMA for our budget." They have not done that. What they are really trying to do is, "Hey, we want to get around the budget." In other words, we have a cap on discretionary spending but we are not going to include FEMA, like it doesn't count, even though we have historical averages.

I do not think we should prefund the account and call it an emergency. If we want to prefund it, fine. I am just saying we should take the emergency designation off. We should not declare it an emergency; it has not happened. Frankly, if we have an emergency in 3 months, FEMA will not be able to spend the money until the year 1999, and we won't have an appropriations bill. Let's go through the appropriations process.

AMENDMENT NO. 2131 TO AMENDMENT NO. 2123  
(Purpose: To ensure that additional funding for the Federal Emergency Management Agency does not reduce the unified budget surplus)

Mr. NICKLES. Mr. President, I send a second-degree amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 2131 to amendment No. 2123.

Mr. NICKLES. Mr. 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:

Beginning on page 1, line 5, strike everything after the word "expended."

Mr. NICKLES. Mr. President, the essence of this amendment, I tell my colleagues, is it says that we allow the money to go in for an additional amount for disaster relief, \$1.6 billion to remain available until expended, period. What I am deleting is the emergency. The additional part of this amendment says that I am deleting "provided these funds will be available only to the extent the official budget request for a specific amount includes the designation of the entire amount of the request as an emergency requirement defined in the Balanced Budget Emergency Control Act of 1985," and so on.

In other words, I am striking the emergency section of this request. So we can put the money in. If there is an emergency, by golly, FEMA has the money; it can pay it. So nobody should say, "Hey, you took money away from my emergency."

What it does mean is, in the budget next year we are going to have to include whatever portion of that \$1.6 billion would be spent in 1999 in the budget. We have caps to spend about \$580 billion, I am going to guess, next year in the discretionary accounts. This is going to have to be part of it, or, in the year 2000, this will be part of it. This means we still may be able to have a

surplus in 2002. It means maybe our budgets mean something.

How in the world can you have a budget and say we are going to have caps on discretionary spending and then we say, "Oh, we're going to fund in advance future emergencies, and, oh, yes, we're not going to count that as part of the budget and it's not necessary to affect the caps"?

Domestic total discretionary spending increased from \$274 billion in 1997 to \$288 billion in 1998. That is more than a 5 percent increase, and that is for the year we are in right now. All I am saying is if we are going to future fund FEMA, it ought to be in the budget.

I do not object to adding \$1.6 billion so FEMA will have the money, and if there is an emergency this year, they can pay for it; if there is an emergency next year, they can pay for it. But what I am objecting to is having it classified as an emergency in advance so there have to be no offsets.

I just think that if we are going to be spending next year in total discretionary spending, that it should be included and get away from this game of, "Oh, we're only going to fund a few couple hundred million dollars in FEMA, and, oh, yes, if an emergency comes up, we will just declare an emergency and it doesn't count." I do not want to spend 100 percent of the surplus in 2000 on this bill. I think that is a serious mistake.

I urge my colleagues to allow the funding to go forward for FEMA, but let's strike the emergency section of this bill so in the future years it will have to be paid for. We will have to incorporate that in our total amount of spending so that our budget will mean something; so a budget that we are going to be working very hard and probably have several contentious and tough votes on, probably a good debate on in the next few days, will mean something.

It is a heck of a deal for people to be saying, "Oh, yes, we're fighting for a balanced budget; oh, we can waive the budget, we can waive it in the future, we don't have to budget for emergencies." We should budget for emergencies. We should have truth in budgeting. We should say, "Hey, this should be included and it shouldn't be exempt from the budget."

I did not say anything about the \$3.3 billion. I think Senator GRAMM was right yesterday, but we did not touch that. Certainly if we are going to take it from \$3.3 billion to over \$5 billion, which is what we are getting ready to do—we started with an appropriations request from the administration that started around \$2 billion, and the administration keeps sending amendments up: "Oh, yes, now we have a little amendment; we want another \$300 billion, some \$260 billion, I think, for community block development grants," that was just adopted. "Now we have another little amendment, \$1.6 billion for FEMA; "oh, yeah, we would like that, too."

They did not give us that request when we had the markup. They did not give us that request 2 weeks ago. But all of a sudden, they just determined a new need. The reason they determined a new need, in my opinion, is they said, "Hey, if this is an emergency, this will give us more money to spend next year for other purposes." I think that is wrong. I think it is a serious mistake.

So I urge my colleagues to adopt our second-degree amendment and strike the emergency portion of this future funding for FEMA.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, while I appreciate the concerns of the Senator from Oklahoma, let me clarify one point that I think may be somewhat confusing. The funding in this amendment is to reimburse FEMA and to cover costs for disasters occurring in this and prior fiscal years, not in future fiscal years. It would simply allow us to begin fiscal year 1999 without an enormous, outstanding disaster relief requirement. In particular, this \$1.6 billion appropriation includes funds to cover the costs of disasters anticipated to occur in the balance of fiscal year 1998. This amendment is not about advance funding, but is intended to provide the necessary funding only for disaster relief requirements for fiscal year 1998 and prior years.

The Senator from Oklahoma has expressed his concern about the cost of disaster relief. No one has been more concerned about the cost of disaster relief than I. In our subcommittee, we have held a number of hearings focused almost solely on FEMA reform and the exploding costs of disaster relief. In response to these hearings, we demanded that the administration and FEMA submit a responsible package of Stafford Act amendments. While FEMA has provided a package of FEMA reform amendments, these are a difficult sell, although we remain hopeful that the authorizing committees will work to implement these and other reforms.

I have been joined by my distinguished colleague and ranking member from Maryland, who had the great privilege and high honor of chairing this subcommittee previously and has been an absolutely essential part of the committee deliberations. I will ask her in just a moment to address some of these.

I emphasize that we need to amend the Stafford Act. We also need administrative changes. Nevertheless, at the same time, these FEMA funds of \$1.6 billion are needed now to meet current FEMA requirements. This appropriation is needed to ensure that we have adequate funding for disaster relief.

Nevertheless, there are a number of us who are very much concerned about the cost of disaster relief. Each year, we see the costs of disaster relief rising exponentially. The need for cost containment is paramount. For example, in the last 5 years, we have appropriated a staggering \$18 billion to

FEMA for disaster relief, compared to \$6.7 billion in the prior 5-year period. While I know we have had some major disasters in the last 5 years, we also had significant disasters in the previous 5 years. The costs are clearly out of control.

As I have noted, for several years, I requested that FEMA submit a legislative plan to control disaster costs. After cajoling and arm twisting, threats of reduced funding, FEMA finally submitted a proposal for reforming the Stafford Act last summer. The proposed amendments address several very important areas, including new incentives for mitigation, streamlining the grant process, and eliminating certain facilities currently eligible for disaster relief, such as golf courses.

This is how we must address the cost of disaster relief. It is far better for authorizing legislation to say what we are going to replace and for what we are going to provide assistance. It is very difficult to address disaster relief issues after the fact when people come to the floor and there is a great outpouring of sympathy. I have been here, I have done that, I have seen it. We have a T-shirt with it emblazoned on it. Once there is a disaster, people come in and they have all of these needs for disaster assistance. And I might say that this body has been extremely generous and, in some ways, we have opened the floodgates.

Well, we are not talking with this amendment about what we would do in the future. We are talking about requirements that have already occurred. I strongly agree that in the future we should limit disaster aid to those truly in need, to people, to entities, to communities that cannot protect themselves against disaster. If they are a profitmaking business, if they are a revenue-generating business, then let them purchase insurance, let them take care of their needs in advance. We need to come in and help those who truly cannot help themselves. However, until we do that, we have to do something to fund and to provide the resources for the commitments already made.

If the Nickles amendment succeeds or if this amendment is not adopted, we are going to be facing in the VA-HUD Subcommittee a \$4 billion lien against the bill. And there will be some very untenable choices. We are the ones, Senator MIKULSKI and I, who have to take the first cut at funding the programs in the VA/HUD Appropriations Subcommittee. To be clear, without this amendment, it will be very difficult for us to even meet the President's request for Veterans Administration medical care, which is \$40 million less than the fiscal year 1998 level. We would be shorting veterans medical care which is not acceptable. In addition, we would be forced to make drastic cuts to low-income housing, including elderly housing, EPA, and Superfund, as well as important space and science programs.

I can tell you that this will not be pretty. I can tell you that the disasters have occurred and that commitments have been made. The question is, will we, in this measure, replenish those funds and carry through on the obligations FEMA has made for this year?

As we look to the future, I would love to see us get disaster relief under control with an appropriate authorizing reform measure and also adjust the budget for regular and timely disaster appropriations. Disaster relief needs are running over \$3 billion a year—to some \$3.6 billion a year. If we are serious about meeting FEMA disaster requirements in the future, I would love to see the budget take account of the needed \$3.6 billion worth of FEMA disaster relief requirements each year. We are not there yet, but I am committed to getting FEMA disaster relief and disaster relief requirements under control.

Mr. President, I see my distinguished colleague on the floor. I yield the floor. Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise to support the Bond-Mikulski amendment and also to oppose the second-degree amendment offered by our colleague from Oklahoma.

Mr. President, I want to support my colleague from Missouri, the chairman of the subcommittee on appropriations for FEMA, Senator BOND, in his remarks about the need for the reform on the funding of FEMA.

Now, Mr. President, let me take a few minutes to say that during the last 5 years FEMA has reformed itself. Prior to James Lee Witt becoming the Administrator, FEMA itself in the way it responded to disasters was a disaster. Each President—Mr. Reagan and then Mr. Bush—often had to send in a trusted aide to oversee whenever disaster affected a community because FEMA itself was so obsessed with a bunker, cold war, civil defense, hide-under-your-desk mentality for nuclear warfare, that it had not gone to a risk-based strategy to be able to respond to the disasters that America faced.

When Hurricane Andrew so devastated Florida that the response of FEMA itself was a disaster, President Bush sent the very able and talented Secretary of Transportation, Mr. Card, to Florida because FEMA could not get it together to do the job.

I think we are all agreed that now FEMA has moved into being an appropriate agency for the post-cold war era. It has focused on the domestic needs of the American people. It has gone to being an all-hazards response agency for not only natural disasters but any of the other kinds of disasters that it has faced. It has worked with Governors and State agencies on three things: readiness and preparedness, response, and then rehabilitation after that response—the three R's of disaster response.

Now, when we have responded, the need has spoken for itself. And that is

what is in this year's appropriation—an urgent supplemental. This is the need. It is not a made-up need; just like it was not a made-up disaster. We are living in the year of El Nino. And El Nino is the weather event of the century and has really triggered a variety of natural disasters throughout the United States. As has been indicated in Senator BOND's testimony, there have been 17 Presidential disaster declarations this year in both States and territories. This \$1.6 billion will address current needs and the total cost which will be generated from the current disasters. These needs are certainly emergency needs, just like over the last 5 years FEMA has incurred an average of \$2.3 billion in obligations each year; and each year the VA Subcommittee absorbs the cost; and each year we take it out of other Federal agencies within our subcommittee.

Now, we do not take it out of agriculture. We do not take it out of defense. We take it out of the 25 different agencies that are within the VA Subcommittee. We have already given, and we have given over a number of years. We cannot continue to do it this way.

I support in the most enthusiastic and the most firm way the call of the chairman, Senator BOND, for a new authorizing framework on how we are going to fund FEMA.

Lots of times, because of compassion or empathy, we then often repair things that might raise eyebrows. But in the midst of a disaster, no one wants to say no to community need. When it comes to disaster funding, we cannot have it both ways. When the Clinton administration has asked for a contingency fund to handle these disasters and emergencies, it has been dismissed as a slush fund. "Well, you can't have a slush fund. We'll do it as pay as you go. Let's see what the disasters are and make it up in the urgent supplemental." Well, now we are making it up in the urgent supplemental and at the same time we know that this isn't the most desirable way to do it and therefore need the authorizers to set that policy.

But I must say, the authorizers and the authorizing committees have not given this the attention it deserves nor have they had the same sense of urgency that is required when we meet disaster funding. So, therefore, for this year, please pass the Bond-Mikulski amendment; and also for this year's legislative session, give us a new authorizing framework, invite our participation, as well as the National Governors' Association, as well as the Director of FEMA, and have a bipartisan approach to how we are going to fund disasters in the future. But do not penalize the other agencies within this subcommittee because of the fact that El Nino and many other terrible situations have affected the American people.

Our heart goes out to the people who have been hit by the ice storms in New England, and the horrendous tornadoes

that devastated Georgia and Florida. There are these disasters. And if we are going to be in this, we have to have, No. 1, a new authorizing framework; No. 2, adequate funds, and, No. 3, maybe we have to also come up with new mechanisms where perhaps residents and businesses have a new insurance framework to be able to practice self-help. But we cannot do this today on the urgent supplemental.

What we can do is meet obligations made which need to be obligations met. So I urge the defeat of the Nickles amendment, the support of the Bond-Mikulski amendment, and then let us have a new authorizing framework.

I want to thank the chairman of the subcommittee for the way he has worked hard on this. We look forward to moving this legislation and meeting the obligations that have been made, at the request, I might add, of Governors. President Clinton doesn't make these up. For it to be a FEMA-declared disaster grant it has to come at the request of a Governor.

I might add, when disaster hits, you don't know if it is a Democratic Governor, you don't know if it is a Republican Governor. We just know for all Americans it requires the response of the Federal Government.

The PRESIDING OFFICER (Ms. COLINS). The Senator from Oklahoma.

Mr. NICKLES. Madam President, I appreciate the comments of both my friends and colleagues. I had the pleasure of serving on this subcommittee with them. They do an outstanding job.

Let me make a couple of comments. Is this an emergency? I don't think so. I have been informed that the administration requested this \$1.6 billion yesterday. Wait, these disasters have happened for the last several months. They requested this yesterday. Gravy train.

The Senate is in the process of moving an appropriations bill, and they are calling it an emergency bill. If the Senate was having "pay fors," which we probably should do, they wouldn't be doing this, in my estimate. Maybe I am wrong. I know in the past this committee has already made some changes on section 8 to pay for it. I compliment them for that.

I am not faulting my colleagues on this subcommittee. I am faulting the Senate, I am faulting the Budget Committee, because we have gotten this historical, sloppy budgeteering process for FEMA that we will be funding at \$300 million a year when it averages \$2 billion or \$3 billion a year.

I agree entirely with my colleagues from both Missouri and Maryland. They say we need to reform the FEMA funding process. That is exactly right. Maybe now that I have had a chance to look at it, I can help you with that. Let us give it a little attention. We need to give it attention. This is ridiculous.

For my colleagues who think we are budgeting and we are real serious next week, we are serious, except for when we happen to call something an emergency. This wasn't an emergency 2

days ago, but it is an emergency now. So here is another \$1.6 billion. We just had an emergency, too. We are going to add \$260 million on community development block grants.

Let me read something from the committee report on community development block grants. I was going to oppose both. The vote will be the same. This is from the committee report, and I compliment the authors.

The committee remains concerned about the Department of Housing and Urban Development's administration of \$500 million in emergency community development block grant funding which was provided in fiscal year 1997, Emergency Supplemental Act, public law 105-18, June 12, 1997, last year's urgent supplemental. This was an unprecedented amount of emergency community development grant funding and it raised a number of concerns regarding inadequate award procedures and accountability measures. Despite repeated requests by the committee, HUD has provided little or no data regarding the funding procedures for emergency CDBG funds for the amounts of CDBG funds allocated by HUD to the States and localities by the amount or activity. It is expected that by April 15, 1998, HUD will provide a summary of the procedures used for allocating and awarding emergency CDBG funds, a summary of all waivers made, and a list of all grants by State, locality and activity.

I compliment them for doing it. But the net essence is last year we gave community development block grants \$500 million in emergency funds, and HUD can't account for it. We added \$260 million this year, and in addition we are adding \$1.6 billion. In a period now we are going to spend \$1.9 billion, call it emergency, and say none has to be counted as discretionary spending under the budget. Almost all of this money will be spent in 1999 and the year 2000, probably 100 percent of it, yet it is off budget, it doesn't count.

Every penny of that is coming out of the surplus, every single penny. I heard the President, "We will save that surplus for protecting Social Security"—except for what he calls an emergency. And we have a supplemental bill going through and it has emergency designation. Let's pile on, let's add some more money, add \$1.6 billion, make it \$1.9 billion.

They gave us that request yesterday, and we are going to submit to it. The managers of this bill will probably win and so we are going to spend probably 100 percent of the surplus in the year 2000 in this bill on this amendment. The year 2000, the Budget Committee did good work, but we have a \$1 billion surplus forecasted for the year 2000—\$1 billion—and we are going to spend it because we are calling it an emergency.

All I am saying, is that it is not an emergency. Those funds should be allocated and should be under the caps. We should pay for it. I want to pay for emergencies as much as anybody else in this room, but we should put it in the budget. This is a fraud on the whole budget process to say emergency spending, we are not going to count that for the future years.

Mr. GREGG. Will the Senator yield?

Mr. NICKLES. I am happy to yield to the Senator.

Mr. GREGG. Didn't we say we were saving the surplus for Social Security? Didn't the President in the State of the Union say that surplus would be reserved in addressing Social Security? And if we undertake this procedure, which is a request from the administration—

Ms. MIKULSKI. We can't hear you.

Mr. GREGG. Soft-spoken.

The question I was asking the Senator from Oklahoma, didn't the President, in the State of the Union, say we were going to save the surplus until the issue of Social Security had been addressed? Shouldn't we be saving the surplus for Social Security? Doesn't this proposal which has come up from the administration essentially undermine that goal of saving the surplus for Social Security?

Mr. NICKLES. To respond to my friend and colleague from New Hampshire, who also serves on the Budget Committee, he is exactly right. The President said we wanted to save every penny of the surplus for Social Security, and right now we getting ready to spend it.

My amendment, I might remind my colleague from New Hampshire who has had some disaster, and several other States—I don't want anybody coming to the floor and voting against this saying, "I need to fund my disaster because we had flooding," or, "We had a freeze," or, "We had milk cows that needed assistance," or whatever that emergency might be, we put money in for the emergency. We put money in to fund the emergency.

We are just saying it has to be on budget so next year we will have to plug money in. We can't get away with the \$300 million facade we have been doing under the Budget Committee and under the Appropriations Committee and pretending we are funding things.

All I am saying is go ahead, put the \$1.6 billion in to take care of whatever emergency, but take the emergency designation off so Congress will have to live within the caps and hopefully still have a surplus so we can save Social Security.

Mr. GREGG. If I could continue that line of questioning, if you were to support your amendment, you would be protecting the surplus for Social Security, or hopefully for Social Security, but at least this spending which is incurred as a result of this proposal would come under the budget process in the manner which would require it be accounted for in the caps and therefore it would not impact the surplus.

Mr. NICKLES. The Senator is exactly right. I appreciate the comment.

I yield the floor.

Ms. MIKULSKI. Will the Senator yield?

Mr. NICKLES. I yield to the Senator.

Ms. MIKULSKI. Let me understand the consequences of what the Senator from Oklahoma is recommending.

If the emergency designation is removed, the phrase "emergency designation," then what are the consequences to that? Does that mean we have to find offsets? What would be the consequences of following the Senator's suggestion?

Mr. NICKLES. To respond to my colleague from Maryland, the consequences would be this: We would appropriate \$1.6 billion for FEMA. There would be money in FEMA's account to meet whatever emergencies might arise. It also means that the money that is spent when spent in the year 1999 and the year 2000, which is when the money would actually be spent, would come under the caps. And we have caps, we agreed to caps, we said here is how much money we will spend on discretionary spending accounts. It is \$580-some billion. That money would have to go in that amount.

Ms. MIKULSKI. Where does the money come from? Is the Senator saying this would require us to identify offsets?

Mr. NICKLES. It would mean that it would have to come within the total amount of money that we have on domestic discretionary spending caps. It would be in that amount, several hundred billion.

Ms. MIKULSKI. I don't understand that. I appreciate the Senator's in-depth knowledge of the Budget Committee, but if I am a Governor, say, in California or Florida where the bulk of the El Nino disasters have occurred, what are you saying that we should do to fund? You say it is under the caps and all this. If we follow your suggestion, do we or don't we have to find offsets for the \$1.6 billion?

Mr. NICKLES. To respond to my colleague, this year, 1997, we have domestic discretionary caps at \$288 billion. What we will have to do is fund it within that amount. To answer you specifically, if you wanted to stay on your HUD baseline—you have a baseline, all the other subcommittees have a baseline—you would either have to fund it within your baseline, within your group, within your subcommittee, or if that wasn't possible, you would have to borrow from some other subcommittee, but the total would have to stay on the cap amount.

Ms. MIKULSKI. That would mean finding an offset.

Mr. NICKLES. Right.

Ms. MIKULSKI. To be clear, talking of baseline and living within caps, if we eliminate the emergency designation, fund the \$1.6 billion, it means we will have to find \$1.6 billion by taking money from some other account or some other agency or agencies; am I correct in that?

Mr. NICKLES. Let me respond.

The \$1.6 billion, in all likelihood you would have about, I will say, \$600 million next year and probably \$600 million—

Ms. MIKULSKI. Do we or do we not have to use offsets?

Mr. NICKLES. Madam President, you have to use offsets; \$600 million in 1999,

we have a total amount of spending on domestic discretionary side. I have the 1997 figure of \$288—it is more than that in 1999.

I might mention, between 1997 and 1998, it went from \$274 to \$288, an increase of \$14 billion that went into domestic discretionary accounts. I don't have the figure in front of me, what it increases in the next year, but there was \$14 billion in increases. You only have outlays of about \$600 million. Somewhere in that \$288 or almost \$300 billion we have to find an offset. I think we should do that.

Ms. MIKULSKI. Which means it has to come from another agency.

Mr. NICKLES. If I can respond, it would either come from within your subcommittee's budget or it could come from some other budget. Some budgets have been growing. I mention we had a \$14 billion growth in domestic discretionary between 1997 and 1998. It could be in the growth funds. We are only talking about maybe \$600 million or \$500 million per year. It could come out of your subcommittee or out of another subcommittee, but the point is it would be accountable.

We wouldn't have something totally extraneous to whatever budget agreement we come up with.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Madam President, let me get in on this very elucidating discussion my colleagues are having. It seems to me that if the emergency designation was taken off the FEMA amendment without offsets, I believe this bill would be subject to a point of order. In particular, we would have to come up with offsets of \$1.6 billion in budget authority for the current year. Plus, we also would have to offset the outlays.

If you are trying to take \$1.6 billion in budget authority out of a program 7 months into the year, the impact on any one program would be devastating and, in many cases, would defund the program. If there are programs with such offsets which my colleague can identify where there is totally wasteful spending, we would be happy to discuss those offsets. Frankly, I don't know of any program from which we could take \$1.6 billion in budget authority out of this year's appropriations in the current fiscal year 1998.

I agree with many of the things the Senator from Oklahoma has said. He is very eloquent. I look forward to going into battle with him to trim down and to rationalize the emergency funding process. We need a champion like the Senator from Oklahoma. I really appreciate him reading the plaintive words we put in the committee report. I did not think anybody read committee reports. I am deeply indebted to my colleague for laying them out for the Senate, because nobody would have believed me if I had read them.

But this process of putting money into CDBG has gotten out of control. Frankly, what we said in the committee hearings was far stronger than

what I said in that committee report. The \$500 million we appropriated for the CDBG emergency program in FY 1997 was more than I recommended. This was for the disastrous flooding in the Upper Midwest. I thought CDBG emergency funding was out of control, and, frankly, nobody has yet been able to tell us where the money has been spent. I wish that everybody who so strongly supported and steamrolled the passage of that emergency designation and that emergency CDBG funding would come and help us look through the debris of the accounting systems and find out where the money went.

But that does not change the fact that we have, in this measure, tried to establish for emergency CDBG funding some criteria and some guidelines to make sure that the money is not totally wasted. We say the money has to go to disaster relief activities identified by the Director of FEMA as unmet needs that have not or will not be addressed by other Federal disaster assistance programs. To ensure accountability, States must provide a 25 percent match for these emergency funds and HUD must publish a notice of program requirements and provide an accounting of the CDBG funds by the type of activity, by the amount of funding, and a listing of each recipient. That is our effort to get a handle on these things.

The Senator from Oklahoma has identified a much larger problem. We need to get a handle on our disaster program. We have attempted to establish reforms. I lost out. I was steamrolled last year, and I am sure someday we will find out where the money went. But in response to emergencies, we come through again and again and we are very generous. For example, in July of 1995, we put in \$39 million in CDBG funds for the Oklahoma City bombing, which was a real disaster. That was put in as an emergency and it was offset.

Now, the problem of offsets is a problem that we have faced every year. Over the last 3 and a half years, we have offset the cost of emergencies out of HUD section 8 housing reserves at a cost of some \$10 billion. Last year alone, Congress used \$3.6 billion in excess section 8 reserves to pay for disaster relief.

Madam President, the well has run dry. We are at the bottom. If you want to start throwing people out of publicly assisted housing and say that rather than designate the FEMA amendment as an emergency, we are going to walk down the street and tell a sweet little lady in section 8 housing that we need to balance the budget, that we are sorry, but your section 8 assistance is no longer valid and you have no housing—well, that is harsh and not acceptable. However, these are the kinds of decisions we have to make. Nevertheless, I am delighted to know that we will be working with the Senator from Oklahoma in an attempt to reform FEMA programs and get FEMA expenses under control.

I urge my colleagues to support a motion, which I must regrettably make, to table the second-degree amendment. I certainly want to give my colleague the opportunity to conclude, and the Senator from Maryland, if she wishes.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Madam President, I appreciate the comments made by my good friends from Missouri and Maryland. I do look forward to working with them.

We need to reform this program. A lot of evidence is in need of reforming this program because, in fact, we do not fund it but then every year we come up and start asking for more money. I want to tell my friend and colleague from Maryland something, because I gave you half an answer. I said that within the caps we would have to offset, although the caps have increased. There is one other option. If we breach the caps, the budget law calls for a sequester to offset. That is how that would happen—one of those two ways. I wanted to make sure of that. That is my purpose. I think we should stay within the caps, so we can keep more money to either pay down the debt, or if there is a surplus, we can save Social Security or give taxpayers relief, not spend more money.

I hate to work so hard on the budget and come and say we are going to have a great big bill and spend billions of dollars. This started at \$2 billion, and now it is going to be over a \$5 billion bill. My colleague from Missouri mentioned that I read the committee report. It said that in last year's emergency bill we spent \$500 million, I tell my friend from Alaska. We do not know how they spent it.

I compliment my colleagues that are heading up the HUD subcommittee. They are trying to stay up with the housing people and say, "Where did that money go?" It is not accountable. Then I heard, "Well, we spent \$500 million on rebuilding one hospital." I appreciate the fact when Oklahoma City had the Murrah Building bombing in 1995, which killed 169 people, we put in \$39 million. We also paid for it; we had an offset. That was good. I might have supported it without an offset.

But I think we ought to be within the budget and try to fix this problem. We ought to find out what happened to that \$500 million Community Development Block Grant money last year. I do not like that. I would have opposed the amendment. I was going to oppose the \$260 million add-on for Community Development Block Grant money. I am bothered that the administration didn't request this money until yesterday, if this was such an urgent need and we had to have this for these emergencies. They came up yesterday. They had plenty of money a week ago. But all of a sudden, now we need the money. I cannot help but get the feeling that they see a gravy train coming

along and we are going to call this thing an emergency and say, give us an extra almost \$2 billion so we can fund a lot of things that will be off budget, so we don't have to live by the caps.

Mr. STEVENS. Will the Senator yield there?

Mr. NICKLES. I would be happy to.

Mr. STEVENS. When I was informed that we were running out of money, according to the projections for FEMA, and would be out of money if they met all of the disaster requirements for fiscal year 1998, I said we had to do something about it but we would not do anything about it unless we got a request from the administration. That is why it came in yesterday.

Mr. NICKLES. Do we have the request in writing? The staff informs me that we do. I have not seen that. I would appreciate a copy of that. It is a heck of a deal. Here we are on Wednesday, and this request came in on Tuesday to give us another \$1.8 billion or \$1.9 billion, and we are just going to do it. For the life of me, if this is that much of an emergency, you would think James Lee Witt would have been working on every Member of the Congress saying, "We have to have this money." He has not.

What I was hearing up until a week or so ago is that they had enough. Now, all of a sudden, they need \$1.6 billion or \$260 million on Community Development Block Grant money, and we do not even know how they spent \$500 million last year. They cannot even account for that \$500 million of the emergency money last year. Yet, we are getting ready to give another \$260 million plus \$1.6 billion for FEMA. I think that is a mistake. I am told that there are no community block development requests from the administration—none. There may be a verbal request, but no written request. I am assuming that is what my staff is telling me. They did not make the request, but we gave them the money anyway. I know some of my colleagues would like to have that money.

Mr. BOND. Will the Senator yield?

Mr. NICKLES. I will yield.

Mr. BOND. The request for emergency CDBG funds came from our colleagues. If you wish to have all of them speak to you personally, I would be happy to direct them to you. I can assure you that the \$260 million in emergency CDBG funding is significantly less than has been requested by our colleagues in this body.

Mr. NICKLES. I am getting too many fights going at the same time. I have a nice engagement with Senator KENNEDY on a HCFA add-on that was put into the budget, which we will be voting on later. And \$1.6 billion is on the floor now. That is enough. I am not trying to anger Members; I am trying to have a little bit of fiscal responsibility.

Again, since FEMA did not make this request until yesterday, I cannot believe it is that urgent. But I remind my colleagues, my amendment does not

strike the \$1.6 billion; it just says that the emergency classification will not be in there. So for next year's budget it will have to live within the caps, and for the following year it will have to live within the caps. That is the essence of my amendment, so we can help protect the surplus and maybe give taxpayers some relief.

So that is my hope, and that is my desire. If there is going to be a motion to table my amendment, I urge colleagues to vote no on tabling the amendment.

Mr. BOND. Madam President, I was preparing to move to table. But I wondered whether my colleague was going to offer a similar designation off of the CDBG, and if he wanted to have one vote serve for two—

Mr. NICKLES. No. The result would be the same.

Mr. BOND. That would certainly expedite matters and allow us to express ourselves. There will not be an effort to change that. So this will be on the second-degree amendment to FEMA.

Madam President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Oklahoma.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—68

Akaka	Dorgan	Lugar
Baucus	Durbin	Mack
Bennett	Feinstein	McConnell
Biden	Ford	Mikulski
Bingaman	Frist	Moseley-Braun
Bond	Glenn	Moynihan
Boxer	Gorton	Murray
Breaux	Graham	Reed
Bryan	Grassley	Reid
Bumpers	Harkin	Roberts
Byrd	Hollings	Rockefeller
Campbell	Inouye	Sarbanes
Chafee	Jeffords	Shelby
Cleland	Johnson	Smith (OR)
Cochran	Kennedy	Snowe
Collins	Kerrey	Specter
Conrad	Kerry	Stevens
Coverdell	Landrieu	Thurmond
D'Amato	Lautenberg	Torricelli
Daschle	Leahy	Warner
DeWine	Levin	Wellstone
Dodd	Lieberman	Wyden
Domenici	Lott	

NAYS—31

Abraham	Grams	McCain
Allard	Gregg	Murkowski
Ashcroft	Hagel	Nickles
Brownback	Hatch	Robb
Burns	Helms	Santorum
Coats	Hutchinson	Sessions
Craig	Hutchison	Smith (NH)
Enzi	Inhofe	Thomas
Faircloth	Kempthorne	Thompson
Feingold	Kohl	
Gramm	Kyl	

NOT VOTING—1

Roth

The motion to lay on the table the amendment (No. 2131) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

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

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The distinguished senior Senator from Alaska is recognized.

AMENDMENT NO. 2123

Mr. STEVENS. Mr. President, I ask for a vote on the pending amendment, the amendment of the Senator from Missouri, Senator BOND. I urge adoption of the amendment at this time.

The PRESIDING OFFICER. Without objection, the underlying amendment of the Senator from Missouri is agreed to.

The amendment (No. 2123) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. I ask unanimous consent to set aside the pending amendment so Senator HELMS may offer his amendment. And I state to the Senate that this amendment will require a rollcall in the not-too-distant future.

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

The distinguished senior Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

Mr. President, I have an amendment at the desk that I want to call up momentarily, but not at this minute.

Mr. STEVENS. May we have order, Mr. President?

The PRESIDING OFFICER. There are 14 doors. If you want to talk, use one of them.

Mr. HELMS. Mr. President, I thank the Chair.

As I was saying, I, first, want to offer my personal assessment of some of the red hot rhetoric coming from and by critics of the United Nations, and even from this administration, regarding the decision by the Congress to withhold a portion of the funding for the United Nations until genuine reforms are implemented by the United Nations. I happen to know quite a bit about this as a result of my having spent months and hundreds of hours in painstaking negotiations with Members of both the House of Representatives and the U.S. Senate and the administration in coming up with a legislative package to pay the so-called "U.S. arrearages" to the United Nations in exchange for meaningful reform of the United Nations.

That package of reforms passed the Senate twice—once by a vote of 90 to 5.

And the conference report has been filed with the House and Senate. But, unfortunately, by an astounding display of administration priorities, the White House chose to block this reform bill at the end of the first session of this Congress after the House of Representatives added one single provision protecting unborn babies from deliberate mass destruction.

Amidst all of that, our able and distinguished Secretary of State was reported as having claimed that not paying the United Nations would result in what she called a "shutdown of our national security policy." That statement, by a lady whom I admire and respect, surprised and saddened me, Mr. President, because Madeleine Albright is bound to know better than almost anybody else that U.S. national security policy is run out of the White House, along with the State Department, which Madeleine Albright, of course, heads. And also it is run by the Defense Department.

But, Mr. President, Congress has a critical role in all of this as well—"this" being a tripartite system of government that we have in our country. The security policies of the United States are not run by the United Nations, nor by the U.N. Security Council, nor by Kofi Annan. Thus, holding out a portion of U.S. funds for the United Nations in exchange for long overdue significant reforms designed to strengthen the U.S. national security certainly will not result in a "shutdown of our national security policy."

It is not surprising, however, to hear the familiar anti-American drumbeat out of the United Nations and from some of its members. I find it interesting that some diplomats at the United Nations undiplomatically tossed around the name "deadbeat," referring to the United States. In fact, the U.N. Secretary General, Mr. Kofi Annan, implied as much in his March 9 New York Times op-ed piece entitled, "The Unpaid Bill That's Crippling the U.N."

I have a chart here showing that article by the Secretary General, and I hope the people operating the cameras will make that clear.

I like Kofi Annan fine. He has visited me a number of times—one time recently in my office in the last 10 days. But in this piece, the Secretary General made the absurd declaration, a non sequitur, if I ever heard one. And I quote him: "Fiji has done its part. What about the U.S.?"

Well, Mr. President, the Secretary General is a man, I must reiterate, whom I have regarded and have often described as an honorable man. I brought up his statement when he visited me in my office 2 weeks ago.

And, by the way, Mr. President, just for the record, Fiji's United Nations' assessment for 1998 was precisely \$47,636. The assessment for the United States, our country, on the other hand, was billed for \$297,727,256. But that is not the all of it. The U.S. taxpayers will pay a total of \$901 million to the

United Nations and its affiliated agencies and other international organizations in fiscal year 1998. And that does not include another \$210 million that American taxpayers are being demanded to pay for U.S. peacekeeping. And that all adds up to \$1.110 billion.

So, it goes without saying that our friend, the U.N. Secretary General—I suppose in trying to be a little bit cute—in fact ended up both absurd and untruthful. And I do hope that it was his staff, not the Secretary General himself, that came up with that quip. Because, as I say, I have always regarded Kofi Annan as a sensible man.

Nevertheless, it is a perfect example of the disingenuous, even dishonest arguments being floated to misrepresent the United States of America, designed to make us pay even more than what we are willing to or obliged to pay in support of the United Nations. Clearly, it is time for Congress to meet head on such outrageous charges from those who do not represent American taxpayers. That is what my amendment is intended to do.

AMENDMENT NO. 2130

(Purpose: To recognize the generous support of United States taxpayers towards international peace and security)

Mr. HELMS. Mr. President, I now call up amendment No. 2130 and ask that its text be read in full and the cosponsors identified. I hope the full text of the amendment will appear in the CONGRESSIONAL RECORD at this point, following which I shall continue my discourse.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself, Mr. LOTT, Mr. GRAMS, Mr. GREGG, Mr. HOLLINGS, Mr. BYRD and Mr. FAIRCLOTH, proposes an amendment numbered 2130.

Mr. HELMS. 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:

**SEC. — UNITED STATES TAXPAYER SUPPORT TOWARDS INTERNATIONAL PEACE AND SECURITY.**

(a) FINDINGS.—Congress finds that—

(1) 8,500 men and women from the United States Armed Forces are currently serving in and around Bosnia, and 44,200 men and women from the United States Armed Forces are currently serving in and around the Persian Gulf;

(2) the Department of Defense has spent \$2,200,000,000 in fiscal year 1995, \$3,300,000,000 in fiscal year 1996, and \$2,973,000,000 in fiscal year 1997 for the incremental costs of implementing or supporting United Nations Security Council resolutions for which the United States received no credit at the United Nations;

(3) as of March 1, 1998, the United States Federal debt totaled \$5,537,630,079,097;

(4) as of the date of enactment of this Act, the United States, according to an audit by the General Accounting Office, has spent more than \$6,400,000,000 in incremental costs to the Department of Defense in and around

Bosnia for which the United States received no credit at the United Nations;

(5) the President is now requesting an additional \$486,900,000 for United States deployments in and around Bosnia and \$1,361,400,000 for United States deployments in and around the Persian Gulf in "emergency fiscal year 1998 supplemental funds";

(6) those funds are in addition to the President's request for \$1,020,000,000 in arrears for all assessed contributions to international organizations, including a request for \$658,000,000 for United States arrears for United Nations peacekeeping operations;

(7) in response to spiraling United Nations peacekeeping costs and excessively broad mandates, the President on April 30, 1994, approved Public Law 103-236, which in section 404 limits the payment of the United States assessed contribution for any United Nations peacekeeping operation to 25 percent of the total of all assessed contributions for that operation;

(8) the United Nations continues to charge the United States for 30.4 percent of the costs of United Nations peacekeeping operations, despite Public Law 103-236;

(9) the United Nations continues to demand payment from the United States of the difference between 25 percent and 30.4 percent of bills for United Nations peacekeeping operations;

(10) United States law prohibits payment of those amounts as arrears to the United Nations, and the United States is not obligated to pay those amounts.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) United States taxpayers should be commended for their generous and unparalleled support in maintaining international peace and security through these additional contributions in support of United Nations Security Council resolutions, and that the United Nations should acknowledge publicly the financial and military support of the United States in maintaining international peace and stability;

(2) the United Nations should immediately reduce the percentage that the United States is assessed for United Nations peacekeeping operations to 25 percent to reflect United States law that limits assessments the United States will pay to support United Nations peacekeeping operations.

(c) RECOGNITION OF UNITED STATES SUPPORT.—

(1) REPORT BY THE SECURITY COUNCIL.—The President should direct the United States Ambassador to the United Nations to introduce a resolution in the United Nations Security Council, requiring that the Security Council publicly report to all United Nations member states on the amount of funds the United States has spent since January 1, 1990, in implementing or supporting United Nations Security Council resolutions, as determined by the Department of Defense.

(2) DEMARCHE TO SECURITY COUNCIL MEMBERS.—The Secretary of State should issue a demarche to all member countries of the United Nations Security Council, informing them of the amount of funds, both credited and uncredited, the Department of Defense has spent since January 1, 1990, in support of United Nations Security Council resolutions.

(d) REPORT TO CONGRESS.—Not later than 45 days after the date of enactment of this Act, the President shall submit a report to the Committees on Appropriations and International Relations of the House of Representatives and the Committees on Appropriations and Foreign Relations of the Senate with regard to actions taken to carry out the provisions of subsection (c).

Mr. HELMS. Mr. President, instead of complaining that the United States

is not handing over even more millions and millions of dollars, the United Nations and its members should be thanking the American taxpayers for their generosity for the past 50 years and the support of the United States, which continues to provide it. I doubt that anybody will seriously argue that the United Nations would even exist today had it not been for the United States and for the generous support provided by the American taxpayers through good times and bad times. So the pending amendment stresses this obvious truth and suggests that the United Nations tone down its crybaby rhetoric and acknowledge the plain truth. The amendment also calls upon the United Nations to adjust its peacekeeping assessments to reflect the 25 percent U.S. support for peacekeeping costs that the Congress and the administration have agreed to pay.

The amendment further asks that the administration introduce a resolution in the U.N. Security Council to require the United Nations to report the total amount of money the United States has paid in supporting and/or implementing Security Council resolutions since 1990 and for the Secretary of State to inform all United Nations members of this report.

Finally, the amendment requires the President of the United States to detail all actions taken by the United States to carry out the aforementioned recommendations.

Mr. President, let me offer several examples of why the pending amendment is essential. First, a scandalous situation in which the United States is treated unfairly involves the assessment for regular operations of the United Nations. This past December, the United Nations General Assembly voted to reduce the minimum assessment a country must pay to be a member of the United Nations. They reduced it from one-hundredth of 1 percent, that's 0.01, to one-thousandth of 1 percent, 0.001, and the Clinton administration went along with this giveaway. Of course the U.S. assessment was not reduced 1 cent, not a farthing, not a penny.

Under this new formula, 29 countries now pay just one-thousandth of 1 percent, .001 of the regular U.N. budget, amounting to \$10,516 a year for each of the 29 countries for the year 1998. Mr. President, 41 other countries pay between two-thousandths of 1 percent, that is .002, and .009, nine-thousandths of 1 percent. That is between \$21,032 and \$94,647 of the regular U.N. budget for 1998. Four countries pay one-hundredth of 1 percent, that is .01 of the budget, U.N. budget, for an assessment of \$105,163 each. Another 84 countries, like Red China, for example, which regularly undermines U.S. interests in the Security Council, will pay less than 1 percent—less than 1 percent—of the U.N. budget. But the American taxpayers, they will foot the bill for 25 percent of the U.N. regular budget, and that is \$297,727,256, or 28,312 times more

than what 29 countries pay, and it is far more than what all the rest pay.

Mr. President, 7 years ago I asked my lifelong friend, Adm. Bud Nance, with whom I grew up in Monroe, NC, to assume the responsibilities of chief of staff of the Foreign Relations Committee. Bud Nance had completed a distinguished 38-year career in the Navy. Among other things, he was skipper of the U.S.S. *Forrestal*, an aircraft carrier that had more sailors aboard than we had people in our hometown. He later served as President Reagan's Deputy National Security Adviser. But the point is, Bud Nance, my friend, agreed to serve his country and his friend—that is the way he put it—on one condition. He would come and work as chief of staff if he received no pay. He did not want to be paid a cent because, he said, his country had paid him well while he was in the Navy and now he wanted to return something to his country. So he came.

The admiral and I learned, after he came, that no staff person in the Senate can hold a security clearance, which is essential for holding a job, unless he or she is paid at least a minimum salary, just over \$1,000 a year. Several years later Congress applied the laws it forces the rest of America to live under to itself. It was made applicable to Bud Nance, and we had to give Bud a pay raise. It was forced upon him, and he was therefore paid the minimum wage for being chief of staff with one of the Senate's most important committees; that is to say, Bud Nance earns \$10,712 a year. That is all he earns. He does not want to accept that.

In any case, when Bud Nance told me that the United Nations reduced the assessment of 29 countries to just \$10,560 apiece annually, he reminded me that the minimum annual wage in this country, the \$10,712 the Senate pays him, is more than these sovereign countries pay in annual dues to the United Nations.

Mr. President, how about another example? Compare Russia's 2.8 percent U.N. assessment, compare it with the United States 25 percent assessment. And Egypt? Egypt is one of the largest recipients of U.S. foreign aid, and it will receive \$2.1 billion in foreign aid from the American taxpayers this year. Yet Egypt will pay just 69-hundredths of 1 percent of the regular U.N. budget, far less than \$1 million. By the way, Egypt voted against the United States 61 percent of the time in the United Nations in 1997.

India, which will receive approximately \$143 million in foreign aid from the United States, that is to say the American taxpayers—India will pay just three-tenths of 1 percent of the regular U.N. budget. India voted against the United States 76 percent of the time in 1997.

So it is obvious that the United States pays far more than its fair share. And what about the U.S. support for peacekeeping operations? The

amount that I mentioned earlier for this, \$210 million, really is only a fraction of the amount the United States will pay for U.N. peacekeeping in fiscal year 1998. As a part of the 1997 appropriations for the Armed Forces, Congress required the Pentagon to report on the costs incurred by the U.S. military in implementing or supporting U.N. Security Council resolutions. Heretofore, the U.N. payment by the United States has been off the books and intentionally hidden from the American taxpayers. This chart will be very interesting to American taxpayers, I think, because it has some rather precise arithmetic, and I hope the camera can focus upon it.

The information on this chart came from the official Department of Defense report for fiscal year 1997: \$2,972,938,000 was stripped away from the training and the readiness of our U.S. armed forces and handed over to support the U.N. Security Council resolutions. This is nearly \$3 billion, mind you, and it is in addition to the \$902,102,000 the American taxpayers provided to the United Nations and its affiliated agencies and other international organizations, also, in addition to the \$334,780,000 that the American taxpayers were forced to fork over for U.N. peacekeeping in fiscal year 1997.

So, while the U.N. crybabies whine about not receiving enough of the American taxpayers' money, the real truth is that the United States volunteered more than three times what we were asked to pay; that is a total of \$4,209,820,000 to the United Nations in fiscal year 1997. That is almost \$3 billion which was taken off the books, courtesy of the American sailors, soldiers, airmen and marines. It was taken from them in terms of what should have been spent for their development in defense of this country.

Most Americans do not even realize that billions of dollars are being siphoned away from the shrinking U.S. military budget to support the United Nations. In fact, most Americans have not the vaguest idea how much money the United States provides for the United Nations. In 1995, the United States—that is to say the American taxpayers—provided 30.7 percent of all of the United Nations peacekeeping costs, far more than any other country. That may have seemed fair in the 1950s, but it is out of line today. That is why Congress and the administration agreed to scale back U.S. payments for U.N. peacekeeping to 25 percent, and that is still far more than any other country pays. Yet, the crybabies continue to whine at the United Nations.

But the United Nations ignores the will of Congress and continues to demand—not anything courteous about it at all—continues to demand that the United States pay the 30.7 percent of the peacekeeping costs.

The United Nations calls this extra 5.7 percent add-on an "arrear." They talk about arrearages, even though it

represents hundreds of millions of dollars that we do not owe and that we should never pay, and I respectfully suggest that somebody should inform the international diplomatic corps that the United States controls the U.S. Government purse strings, not the United Nations.

All of which reminds me of Sam Ervin, that great Senator from North Carolina, with whom I was honored to serve a couple of years before he retired. Senator Sam Ervin quoted a Latin proverb that seems apt. He said: "Small gifts make friends; great gifts make enemies." And I can imagine what Senator Sam would be saying if he were still sitting right over there, if he were still around as a Member of the Senate, about what little impact the United States has had on the operations of the United Nations, in light of the total amount of millions and millions of dollars that we have paid to the United Nations, especially since Americans are being smothered under a \$5,531,793,429,306.24 Federal debt as of March 23.

Some Americans would mistakenly suppose that at least 25 percent of United Nations employees are American citizens, since the United States provides 25 percent of the budget and that the United Nations headquarters is in New York City. But only 7.1 percent of U.N. employees are U.S. citizens. Surely it is obvious that the Congress needs to pass and President Clinton needs to sign into law the U.N. reforms that Senator JOE BIDEN of Delaware and I negotiated and which were approved by this Senate last year by a vote of 90 to 5.

Mr. President, I am going to close with one final thought. The administration spends a lot of time talking about how the United States has become the indispensable Nation in the post-cold war era, and I agree with that. But at the same time, the administration acts as if America is powerless to act in our own people's interest unless the United Nations is calling the tune. Small wonder that so many Americans are confused about U.S. foreign policy and the direction this country is heading internationally.

No; let the record be clear—let the record be clear—America is anything but a deadbeat nation. The real problem is an administration that has allowed too many handout artists at the United Nations to go unchallenged in their arrogance. Mr. President, enough is enough.

I thank the Chair, and I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from New Hampshire.

Mr. GREGG. Mr. President, I congratulate the Senator from North Carolina for his amendment, because it clearly outlines the problems which we have as a Congress with the representations that we continue to hear from the United Nations and some of the

member nations within the United Nations relative to the obligations of the U.S. arrearages and, as we go into the future, relative to the obligations for the payment of the operation of the United Nations and the payment for the international organizations for the United Nations and the payment for peacekeeping.

The fact is that the United States and the taxpayers of this country, to whom we answer, have been extremely generous with the United Nations—extremely generous. We have undertaken as a nation far more—far more—than our fair share of the costs of initiatives which the United Nations is pursuing, and we are today undertaking far more than is our fair share, both in Southwest Asia and also in Bosnia.

This supplemental appropriations bill has in it \$1.9 billion, the purpose of which is to try to put our Defense Department into a position of solvency, for lack of a better term, relative to the costs of these peacekeeping missions, so that we are not culling, draining from our core defense establishment, funds necessary to maintain that establishment in order to undertake these peacekeeping initiatives in two areas where the United Nations has a primary role and has been one of the primary promoters. That is why we are pursuing this supplemental appropriations.

But it is part of a larger picture, and the Senator from North Carolina has outlined it and pointed out rather precisely the dollars involved and the commitments we have made just in these two areas.

I want to highlight a couple of points, because I am very tired, as chairman of the appropriating subcommittee that has responsibility for the U.N. accounts—I am very tired of hearing this constant moaning from New York, from members of the United Nations, about American arrears. Let's look at what those arrears are.

Only \$54 million—\$54 million—a small number in the context of the entire budget, although a big number in the context of a small State like New Hampshire and certainly a very expensive number for the people of New Hampshire because that is coming out of our taxes—only \$54 million goes to the operation of the United Nations of the alleged arrears that are presented to us.

Of the total arrearage—and the debate is out there as to whether it is \$600 million, \$900 million, or \$1.2 billion—of that total arrearage, only \$54 million goes to operating accounts within the United Nations. The vast majority of the balance—there are a couple of international organizations involved here—but the vast majority of the balance flows through the United Nations to other nations to reimburse them for their peacekeeping costs.

Let me list a few of these: France alleges it is owed \$151 million; Italy alleges it is owed \$62 million; Belgium,

\$58 million; The Netherlands, \$50 million; India, \$47 million; Pakistan, \$45 million; Russia, \$36 million.

So, of the arrearages that are allegedly owed by the United States, they do not go to the operations of the United Nations. So when I see a headline like was held up earlier by the Senator from North Carolina which said we were undermining the United Nations by our failure to pay these arrearages, that is just poppycock. That is purely a statement of politics, not a statement of substance.

The fact is that of the arrearages that are owed, should we end up paying them in full under our definition of what is "in full," almost all that money is not going to stay at the United Nations; it is going to flow out to these other countries.

I think the question has to be asked, What part have these other countries played in undertaking the burden of our activities, for example, in Iraq? Were they participants in the costs that we just incurred as a nation, which were dramatic, in Iraq? The present estimate of the Iraq costs, I think, is somewhere in the vicinity of \$4.6 billion to our Defense Department in order to try to contain Saddam Hussein, and this was purely—purely—a U.N. initiative and effort. We were there flying under the flag of the United Nations, although our country obviously bore the biggest responsibility, because we are the most capable military power in the world.

But to the extent we were there, we were picking up this ticketed cost of \$4.6 billion to date, and it goes up every day. How much of that cost did these other nations, which are claiming that we are in arrears on peacekeeping and that they want us to pay them, pay for? How much of that cost? Well, France did not participate and has not participated in this most recent Iraqi buildup, to my knowledge. Italy did not participate. Belgium did not participate. The Netherlands did not participate. India did not participate. Pakistan did not participate. Russia did not participate. So, essentially, they are asking us to pay twice. They are saying first we have to pay these peacekeeping arrears to them, and then we have to go out and keep peace for them in Iraq.

At some point, the American taxpayer starts to scratch his or her head and say, "Hold it. You know, this is our money. We recognize we have a responsibility to the United Nations, but don't try to make fools of us." And that is the concern. The concern is that we are being asked to pay a disproportionate share of the burden of the peacekeeping activities of the United Nations today in Bosnia and in Iraq, and we are not getting any credit for it.

To the credit of the Senator from North Carolina, he worked very hard to reach an agreement on how these arrearages should be managed as part of an overall reform package for the

United Nations. A basic element of that reform package was that our peacekeeping responsibility would drop from 30 percent to 25 percent and that our dues for the operational aspects of the United Nations would drop from 25 percent down to, hopefully, 20 percent, at least 22 percent.

We have not seen any action in that area, nor have we seen any action in the fundamental reforms which were alluded to, not specifically, but alluded to by the Senator from North Carolina as to the management of the United Nations, where American tax dollars are being used to hire the friend of a friend who happened to be the president of some country somewhere; an institution which is replete with duplication, bureaucracy, and, regrettably, in many instances pure old-fashioned patronage.

American tax dollars are not being accounted for. They do not have a system of telling us where they spent the money. They do not have a personnel system that can tell us whom they hire, and they do not have a system which can tell us how their programs are being delivered and what the overhead of those programs is. So we asked for that as a condition for paying any further arrearages. None of this has been met.

I come here with the same frustration as that of the Senator from North Carolina and, I think, the Senator from West Virginia as a cosponsor of this, and he is certainly a much more eloquent spokesman on issues like this than I am. But I, like many Americans, am saying, how can they continue to come to us and say, "Give us more," when they are not giving us credit for what we have already done?

The American taxpayer has a legitimate complaint here. The amendment of the Senator from North Carolina is a way to try to raise the visibility of that complaint. I congratulate him for it, and I hope we will adopt it. I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished senior Senator from West Virginia.

Mr. BYRD. I thank the Chair.

Mr. President, I strongly support the amendment offered by the senior Senator from North Carolina. The administration has been on a nonstop campaign to color the Congress as irresponsible chiselers on U.N. dues. At the same time, however, we are forking over emergency money for Bosnia operations and for Southwest Asia operations in this bill that amounts to nearly \$2 billion.

It was the present NATO-led operation that bailed out the embarrassingly bad failure of the United Nations to keep the peace in Bosnia which had witnessed a modern version of the Holocaust. It was the U.S. military operation, exclusively in Southwest Asia, that gave teeth to the U.N. Secretary General's negotiations with Saddam Hussein, a fact readily admitted by U.N. Secretary General Kofi Annan.

The United States has paid out many times over in unilateral costs the so-called arrearages claimed by the United Nations to be owed by the United States in support of the objectives of the United Nations in both theaters.

The amendment by Mr. HELMS is truth in international funding, truth in international fundraising.

We do not see much in the way of contributions by other members of the Security Council to our operations in either theater.

The figures used by Mr. HELMS, some \$6 billion or more in U.S. unilateral outlays since 1990, compared to the trumpeted past due bill of \$1 billion we supposedly owe to the United Nations, provides the stark contrast—the stark contrast—the basic unfairness of the charge that the United States is some kind of debtor to the United Nations, some kind of deadbeat, as it were, some kind of chiseler, as it were.

My mom used to keep boarders back in the coal mining community. And we took on boarders who came to our house. I often listened to a new boarder for a few minutes. From time to time I would say to the woman who raised me—"He's going to beat you out of your board bill. That man won't pay you." And I was amazed in so many instances to find, to my chagrin, that that man would not pay his board bill. He was a chiseler. That is what we are portrayed to be—chiselers; deadbeats—we will not pay our dues; we will not pay our arrearages.

The United States has been bailing out the rest of the United Nations for years now. Take the United States out of the United Nations, what do you have left? What is there left? The other members of the United Nations, in fact, owe the United States. They owe us a massive back bill for military operations and funding.

The first question that was ever asked in the history of the world, in the history of the universe, in the history of all creation, the first question that was ever asked was when God walked through the Garden of Eden, in the cool of the day, searching for Adam and Eve.

They had forfeited—they had forfeited—their right to that everlasting life in that garden of bliss, a virtual paradise, by eating from the Tree of Knowledge in violation of God's warning not to do so. So God came looking for them in the cool of the day. God asked that first question: "Adam, where art thou?" They had hidden themselves from Him. "Adam, where art thou?"

Mr. President, we might well ask the other members of the United Nations, "Where were you when we were in the hot sands of the gulf, when we had sent our men and women away from their homes, away from their firesides, away from their children, away from their loved ones to take possible action to protect you and yours? Where were you? Where were you?"

Mr. President, the time has come for the administration to cool down—cool down—it's hot rhetoric on the matter of the so-called arrearages by the United States. The time has come to see the forest—not just the trees—on the matter of who is fulfilling the responsible role—the responsible role—of international leadership against aggression.

I commend the Senator for his amendment. I thank him for allowing me to be a cosponsor of it. I hope that it will get a big vote in this Chamber so that a clear message is sent to the whiners—to the whiners—both in New York and down Pennsylvania Avenue on this whole issue.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from the great State of Minnesota.

Mr. GRAMS. Thank you very much, Mr. President.

Mr. President, I also rise today to support this amendment. The United States has been called a "deadbeat"; it has been called a "bully" at the United Nations. The United States has been accused of being "heavy-handed" and not doing its "fair share" for the international community. The United States has been berated and belittled at every turn by many of the countries that have been benefiting most from U.S. generosity—both in terms of security guarantees and also in terms of economic assistance.

Mr. President, America bashing is a popular pastime at the United Nations, and this administration is doing nothing to stop it. In fact, this administration has been contributing to the feeding frenzy by trying to undercut the terms of the U.N. reform plan instead of standing by the deal that it helped negotiate. If this administration is encouraging anti-American sentiment at the United Nations in order to gain leverage with Congress to water down the reforms, well, it is unconscionable and it is not going to work.

Mr. President, this administration has been so weak in defending the honor and the reputation of the United States at the United Nations, and so negligent in highlighting the great contributions that America is making to promote international security, that we feel compelled to direct the administration to do so with this amendment.

Now, while the United States is being called a "deadbeat" regarding its international obligations, well, the facts say something quite different. The United States may owe arrears to the United Nations, but that is only because the United States received no credit at the United Nations for the \$2.97 billion that U.S. taxpayers spent in fiscal year 1997 implementing U.N. Security Council resolutions—again, nearly \$3 billion of U.S. taxpayer money to help implement U.N. Security Council resolutions last year alone.

We received no credit for the more than \$6.4 billion that the U.S. tax-

payers have spent to date in and around Bosnia. We will receive no credit for the emergency funding of an additional \$487 million for the Bosnia mission and the \$1.4 billion for U.S. deployments in the Persian Gulf that the President is asking for in this bill.

As we all know, our troops are in the gulf to enforce U.N. Security Council Resolution 687 on Iraq. But that does not mean that we will get credit for our contribution at the United Nations. And while we do need to settle our disputed arrears to the United Nations, Mr. President, we should not be myopic. The U.S. taxpayers are doing far more than just pulling their weight in the international community.

Mr. President, this amendment is necessary to ensure that all U.N. member states are aware of the great sacrifices that the American taxpayers are making to support U.N. Security Council resolutions since U.N. bookkeeping obscures the facts.

First, the amendment states that U.S. taxpayers should be commended for their generous support in maintaining international peace and security; the United Nations should publicly acknowledge this support and immediately reduce the U.S. peacekeeping assessment to 25 percent that is in accordance with U.S. law.

Second, it calls on the President to direct the U.S. Ambassador to the United Nations to introduce a Security Council resolution requiring the Security Council to report to all member states on the amount that the United States has spent supporting U.N. Security Council resolutions just since January 1, 1990, as determined by the Department of Defense.

Third, it requests the Secretary of State to notify all members of the Security Council on the amounts—both credited and uncredited—that DOD has spent supporting U.N. Security Council resolutions, again, just since January 1, 1990.

And, fourth, Mr. President, it requires the President to report back to the appropriate committees in the House and the Senate within 45 days on the efforts to carry out these steps in this amendment.

Now, I do not know how far this amendment will go toward getting the U.S. taxpayers the recognition that they deserve for U.S. support of the United Nations, but I do hope it will put the U.S. arrears in perspective. Both the administration and the Congress agree that the U.S. owes only \$54 million to the U.N. regular budget and \$658 million for peacekeeping expenses. Now, that is \$712 million. You compare that to the nearly \$3 billion the Department of Defense spent in fiscal year 1997 alone—we spent more than four times that amount last year alone—implementing U.N. Security Council resolutions.

Mr. President, throughout the history of the United Nations, the United States has always been its most generous donor. American taxpayers cur-

rently are billed for 25 percent of the entire U.N. operating budget and 30.4 percent of the peacekeeping budget, although the United States now pays 25 percent, as I mentioned, in accordance with a law passed by, again, a Democratic-controlled Congress and signed into law by President Clinton.

Currently, those bills total more than \$600 million annually. In contrast, Saudi Arabia, Kuwait and China—which has a veto in the Security Council—only pay about 1 percent of the entire U.N. regular budget. The floor of assessment levels was just lowered from .01 percent of the U.N. operating budget, from about \$106,000 a year, to .001 percent, or under \$11,000. So each contribution from those nations will not be enough to even cover one-tenth of the salary of one of their highly priced bureaucrats. It will only pay about one-tenth of the salary of one of their bureaucrats at the United Nations. That is all they pay.

Despite this fact, each member of the United Nations has one vote on budget issues. In addition to the assessed payments I just mentioned, the United States voluntarily and generously contributes hundreds of millions of dollars to programs like UNICEF, UNHCR, and the U.N. Voluntary Fund for Victims of Torture. So, Mr. President, the United States pays more than its fair share for world peace, stability, and humanitarian efforts.

That being said, we do need to settle our disputed arrears to the United Nations. We did engage in good-faith negotiations with the administration, and we made a deal on the U.N. reform package. The Senate, with the full support of the administration, passed this bipartisan legislation twice—by a 90-5 rollcall vote and again by unanimous consent. The only thing that prevented this agreement from becoming law was a dispute over an unrelated issue.

This administration then decided to forgo nearly \$1 billion for the United Nations and \$3.5 billion for the IMF so it could preserve the ability for U.S. grant recipients to lobby foreign governments to liberalize their abortion laws.

Mr. President, Secretary Albright recently said that failure to pay the U.N. arrears would result in a "shutdown of our national security policy." I must admit, I was somewhat taken aback by that statement, as I was not aware that this administration had officially subcontracted our national security policy to the United Nations.

Indeed, I will fight to make sure that it will never happen. But if the United States truly is suffering a loss of prestige and effectiveness in the global arena because of our U.N. arrears, as the administration contends, then it is irresponsible for this administration to jeopardize our security interests and influence for domestic political considerations.

I hope that in the near future Congress will pass the U.N. reform package and the President will sign it into law

so we can put this small matter of the disputed arrears behind us. Regardless of the fate of that legislation, I also believe it is important that we pass this amendment so that the rest of the world will be aware of what we all know, and that is the huge sacrifice that the United States taxpayers make to support U.N. Security Council activities.

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

The PRESIDING OFFICER. The Chair recognizes the distinguished senior Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I thank the Senator for his remarks, as I do Senator GREGG, and particularly Senator BYRD, who is always eloquent.

Now, Mr. President, I want to be sure that all of the cosponsors are identified. I ask unanimous consent that the distinguished majority leader, Senator LOTT, be listed as a cosponsor, as well as Senator GREGG, Senator GRAMS, Senator HOLLINGS, Senator BYRD, Senator FAIRCLOTH, and Senator ASHCROFT.

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

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Are the yeas and nays ordered, Mr. President?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, parliamentary inquiry. Was there a unanimous consent for a time to vote? If not, I would like to speak for 3 minutes on this amendment.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Delaware.

Mr. BIDEN. I thank the chairman of the committee for accommodating one of my concerns that I expressed through staff on this amendment that he changed.

I agree fully, as the Senator knows from our many discussions on the United Nations and some disagreements relative to the United Nations, that I, like he, believe we do not get sufficient credit. He may remember the debate we had in the committee where I found myself at odds with some of my colleagues who share my view that we, in fact, owe a good deal of money and should pay it.

I take issue, for the record, with my friend from Minnesota about his characterization of what a terrible job the administration has done. I do not believe that is the case. I believe that Secretary Albright, when she was at the United Nations, and others have never failed to point out the extent of our involvement.

I do not think we should confuse apples and oranges here. The truth of the

matter is there are certain things that are U.N. sanctioned and there are other things that are U.N. administered. When folks wear blue helmets, everybody gets repaid. When they are not wearing blue helmets, they do not get repaid unless it is a chapter 7 undertaking administered by the U.N. I will not bore my colleagues with the details that relates to, but let me say we are not the only country who has acted unilaterally under the cover of or with the sanction of a U.N. resolution. There are other countries who have done so and have not been reimbursed for their contributions, from France to Germany to Great Britain.

For example, in 1994 voluntary expenditures by France amounted to \$747.5 million, for which they did not seek reimbursement; Italy, \$347.7 million, et cetera. We by far and away are the biggest of the contributing non-credit-given countries in the United Nations, I acknowledge that. And I think we should be doing what the Senator from North Carolina is saying: We should make it clear, in part to our folks as well as the rest of the world, that we do a great deal more than we get credit for.

I further say that we could amend—and I am not going to—we could amend this resolution to ask the world body to understand that there are other tens of billions, hundreds of billions, we spend that are not under any U.N. auspices, that are done for the good of the world, that we get no credit for.

It is true we do not get sufficient credit. But I respectfully suggest that it should not be confused with whether or not we owe or do not owe what we agreed to under the deal we signed up to when we joined the United Nations. I make a distinction here. No state receives credit against assessments for unilateral activities in support of U.N. security council resolutions which represent a majority of the U.S. cost incurred during the period my friend from Minnesota is talking about.

Again, I will ask unanimous consent a written statement be printed in the RECORD to explain in more detail the points I know my colleagues understand but maybe the public at large, listening to the truncated debate on my part, may not understand.

For example, let me conclude with this. Italy just spent a lot of money on Albania under a U.N.-sanctioned resolution. Now, Italy did it because if Albania goes bad, Italy is in trouble. Italy has a real problem, a serious problem. It was in their overwhelming interest to see to it that things did not deteriorate more than they did in Albania. So the rest of the world did what they always do with us—they kind of stood by a little bit, and we held Italy's coat, in effect, and we said, "OK, you go ahead, you go ahead and spend that money. We know basically it is in your interest. You would want to do it even if there were no U.N. resolution authorizing you to do that. You would

still want to do it, because it is in your overwhelming interest and it is in the world's interest."

The no-fly zone in Iraq. We have used an attenuated rationale—which I think we should have—to enforce the no-fly zone. We are paying for the bulk of that, the United States of America. It is not because the rest of the world is saying, go in and enforce the no-fly zone. Half the United Nations might say, don't enforce the no-fly zone. The reason they do not want to pay, the reason it is not a blue helmet operation, they could not get the United Nations to go along.

Here is a case where we believe it is in our overwhelming naked self-interest to enforce the no-fly zone, because oil in that region of the world is as big a deal to us as it is to the rest of the world. Granted, it benefits the whole world, but we are big boys. We have to grow up. We have to understand there are certain times when we do things and expend money that incidentally benefits other people but we would do even if the United Nations was not around.

So the technical distinction that is made in reimbursement is between—to overstate it in the interest of time—a blue helmet being worn and us going in and doing it with the sanction of the United Nations, saying, "OK, we have a resolution that says it is OK to do that." There are two different deals.

So we should do what is being proposed. I am voting with my leader on this issue. He is correct. But let's not get carried away, as I respectfully suggest my friend from Minnesota maybe has in terms of how, (a), the administration has done nothing to make clear our contributions, and (b), that somehow this is the same as what is owed by us and we are trading apples for apples. They are apples and oranges. Maybe we should change the way the charter reads. Maybe we should change it to say, "Anything done under the guise of"—or "under the umbrella of a U.N.-sanctioned operation should be given credit for." Maybe we should say that. I am not sure we want to say that, because we may find a lot of folks involved in things we do not want to have to contribute to but maybe we should. But it does not say that now. That is not the way it works now.

Mr. President, I compliment my friend, and I do not disagree with the underlying thrust of what my friend from Minnesota is saying, that we do not get enough credit. We do not get enough credit. If we do not get up there and beat our chest a little bit about what we are doing, sure in the heck, no one else will give us credit for it. I think it should at least be done now in part, quite frankly, and you might consider this typically—my friend from North Carolina would be too polite to say this—kind of a typically Biden view of this thing in the following respect: I think it is important to do this now, because we haven't paid.

In other words, I am so upset about us not having met our obligations that

we signed on to, coupled with the damage I think it is doing to our ability to get other things that are in our naked self-interest done in the United Nations, that at least this might, by advertising what we have done, sort of take the stinger out of the rhetoric that is going around up in the United Nations that we do not do anything, that we are the bad guys, we are the pariah, we are the total deadbeat. That is one of the reasons why I am glad we are doing it.

I do not think we should confuse what we have done in other areas, and I will list for the RECORD what they are. I am sure my colleagues already know how we get to the \$2,972,938,000. They are: Former Yugoslavia and Iraq operations, including Able Sentry, Deny Flight, IFOR/SFOR operations, Southern Watch, Sentinel, and Provide Comfort. They basically relate to what was cited here, the former Yugoslavia and Iraq, and with the exception of Able Sentry, I think we would find that each of the things we have done in there that have not been compensated for are things we pushed to have done.

There is resistance at the United Nations and in NATO to do—we brought them around through, in effect, sanctioning us to do this.

I end by saying I think my colleagues would probably be apoleptic if everything we did in order to get reimbursed we had Americans with blue helmets on. I think you would all be up here going bananas if that were the case. Be careful what you wish for; you may get it.

In this case, I think it is worth making the case, I think you overstate the criticism of the administration.

I thank the chairman of the full committee for allowing me, and I thank my friend from North Carolina for allowing me to be part of this amendment.

Mr. President, I ask unanimous consent that the written material that I referred to earlier be printed in the RECORD.

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

THE UNDER SECRETARY OF DEFENSE,  
Washington, DC, February 13, 1998.

Hon. JESSE HELMS,  
Chairman, Committee on Foreign Relations,  
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As required by Section 8091 of the Department of Defense Appropriations Act for 1997, I enclose a report on costs incurred by the Department of Defense "in implementing or supporting resolutions of the United Nations Security Council." Specifically, the report provides incremental costs for the fourth quarter of fiscal year 1997 as well as cumulative costs for the 1997 fiscal year to the end of the fourth quarter. The report also provides information on efforts the Department has made to be reimbursed for troop contributions and provision of services and commodities to U.N. peacekeeping operations.

We take seriously our commitment to provide data to the Congress regarding the costs incurred in support of U.N. activities. I trust that you will find the enclosed report to be a useful summary of the costs that the Department has incurred in support of U.N. ac-

tivities as well as the Department's efforts to seek reimbursement for these activities.

Sincerely yours,  
WALTER B. SLOCOMBE.

Enclosure: as stated.  
REPORT TO THE CONGRESS FOR THE FOURTH QUARTER, FISCAL YEAR 1997 IN COMPLIANCE WITH SECTION 8091, DEFENSE APPROPRIATIONS ACT OF 1997

The DoD Appropriations Act for 1997 (Act) requires the Secretary of Defense to submit a report at the end of each quarter indicating "all costs (including incremental costs) incurred by the Department of Defense (DoD) during the preceding quarter in implementing or supporting resolutions of the United Nations Security Council." The data included herein are provided in response to section 8091.

The Defense Finance and Accounting Service (DFAS) compiles incremental costs associated with United States military operations based on data provided by the military departments and defense agencies. These data were modified, as necessary, to properly reflect transfer actions and unreported costs applicable to support to U.N. operations. Data are presented below in both quarterly and cumulative (for the fiscal year) format. It is important to note that DFAS cost reports include information received during a particular quarter of the fiscal year: comprehensive cost data are not available in the immediately succeeding quarter. The Department collects only incremental costs, which are defined as additional costs to the DoD component appropriations that would not have been incurred if a contingency operation had not been supported. All incremental costs included below are current as of 30 September 1997, and are aggregated for FY97, and exclude reimbursements received for troop contributions (section 2), which are presented individually.

Operation/Region	Reported for 4Q FY97	Cumulative for FY97 through 4Q
Former Yugoslavia Operations:		
ABLE SENTRY (FYROM) .....	\$2,950,000	\$11,727,000
DENY FLIGHT/DECISIVE EDGE .....	30,101,000	183,266,000
IFOR/SFOR Operations .....	779,316,000	2,087,518,000
SOUTHERN WATCH/VIGILANT SENTINEL		
(Iraq) .....	185,499,000	597,312,000
PROVIDE COMFORT/NORTHERN WATCH		
(Iraq) .....	20,627,000	93,115,000
Total .....	1,018,493,000	2,972,938,000

The Act requires the Secretary of Defense to "detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities."

The Administration's policy is to seek reimbursement, or compensation as the Act terms it, for all allowable costs of participation in U.N. peacekeeping operations. There are two instances in which costs are allowable: (1) costs related to troop contributions to U.N. peacekeeping operations, and (2) provision of services and commodities to United Nations peacekeeping operations. The provision of services and commodities occurs under a process known as the Letter of Assist (LOA). The LOA process is similar to a contract between the USG and the UN whereby the USG agrees to provide support to the U.N. with the understanding that the U.N. will provide reimbursement under established terms. Only expenditures in support of a peacekeeping operation conducted by the U.N. approved by the Security Council and authorized by the General Assembly (through its annual budget approval process) as a legitimate charge to the UN are eligible for reimbursement. No state receives credit

against assessments for unilateral activities "in support of" UN Security Council resolutions, which represent the majority of U.S. costs incurred during this reporting period.

Information regarding billings and reimbursements for the fourth quarter of fiscal year 1997 is provided below. Data on reimbursable support are divided into two sections. The first section accounts for the provision of defense articles and services. The Department of Defense submits bills to the U.N. for these articles and services on a monthly basis. The second section identifies reimbursements to the United States Government for troop contributions to a U.N.-mandated and assessed peace operation. The United Nations reimburses troop contributors for specific United Nations peacekeeping operations on a periodic basis depending on the availability of funds. No troop-contributing government submits bills for troop reimbursements. Rather, the U.N. reimburses governments on its own initiative when sufficient funds are available to pay all contributors to a particular mission for at least a one-month increment; all member states involved in a particular mission are reimbursed for troop contributions simultaneously. Reimbursements for incremental troop contribution costs are made by the U.N. directly to the Department of Defense. The Department of Defense has determined that its incremental costs are \$318 per soldier per month.

SECTION 1—FY 97 PROVISION OF DEFENSE ARTICLES AND SERVICES

DoD component	Billed (cumulative)	Reimbursements <sup>1</sup>
NIMA .....	\$9,550.32	\$00.00
Army .....	98,939.67	350.32
Total .....	101,489.99	350.32

<sup>1</sup> The United Nations has not been able to make full payments to the U.S. and to other member states because of a lack of funds resulting from unpaid peacekeeping assessments. All DoD bills that have been presented to the United Nations during FY97 have been certified as legitimate claims.

SECTION 2—FY 97 TROOP CONTRIBUTION REIMBURSEMENTS

Operation	Reimbursements	Period covered by reimbursements <sup>1</sup>
	0	NA

<sup>1</sup> The United Nations has not been able to make full payments to the U.S. and to other member states because of a lack of funds resulting from unpaid peacekeeping assessments. All DoD bills that have been presented to the United Nations during FY97 have been certified as legitimate claims.

Mr. STEVENS. Have the yeas and nays been ordered on the Helms amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. STEVENS. I ask unanimous consent this vote take place at 6:30 p.m.

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

Mr. STEVENS. 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. BIDEN. 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. BIDEN. Mr. President, I say to the chairman of the full committee I will summarize my statement here, and when anyone is ready to go with an amendment, I will cease. But I will

speak on the overall supplemental, if I may.

I rise in strong support of the supplemental appropriation for troops in the Persian Gulf and for our troops in Bosnia. I want to say a few words about our policy in the Persian Gulf and then turn to a more detailed discussion, if I have time, of our SFOR mission in Bosnia.

Passing this supplemental appropriations sends an unequivocal message to Saddam Hussein that the United States is committed to thwarting his intent to threaten our national interest. Diplomacy backed by the credible threat of force has put the international inspectors back in business, and for the first time in 7 years these inspectors, Mr. President, are doing their work without hindrance. Maintaining our military force in the gulf is as important as anything else in keeping Saddam Hussein honest, although it is expensive and it is costly in many ways.

I know that some of my colleagues, including the senior Senator from Alaska, have expressed concerns about the willingness of our allies in the gulf to share the financial burden of our current deployment.

Many of these concerns are valid. We should expect our allies to support us militarily and otherwise, especially when our actions safeguard their interests. But I think it is equally important to recognize that we are in the Persian Gulf, first and foremost, to protect our own vital interests.

But I think it is equally important to recognize that we are in the Persian Gulf first and foremost to protect our own vital interests. First, we ignore at our peril the chemical and biological weapons programs of a leader with a demonstrated proclivity for using weapons of mass destruction. Second, whether we like it or not, sixty-five percent of the world's proven oil reserves are in Saddam Hussein's backyard.

None of us wants to hand over our energy security to the whims of a maniacal tyrant. But that is exactly what we would be doing if we withdrew our forces from the Persian Gulf.

Failure to approve this supplemental would lead Saddam to conclude that the United States is losing its resolve. He would resume his defiance in short order, and before long he would menace the region once again with chemical and biological weapons.

Now, Mr. President I want to discuss the mission in Bosnia.

By now the importance of the American-led SFOR mission in Bosnia should be manifest. The Dayton Accords of November 1995 ended three-and-a-half years of carnage and gave Bosnia and Herzegovina a roadmap for rebuilding a peaceful, civil society.

No one can dispute that it is the overall security environment created by the international community through SFOR that makes civilian progress possible.

Mr. President, several Members have already spoken this morning on the

Bosnia amendment offered, and then withdrawn, by the junior Senator from Texas.

Had the Senator not withdrawn her amendment, I would have opposed it. If she offers it again on the Defense Appropriations bill, I will speak against it.

For now, however, I would make only two brief comments on the amendment before I turn to a more detailed discussion on our strategy in Bosnia.

First, mention was made of "shifting goalposts." I quite agree, but the shifting has been done by the opponents of our involvement in Bosnia, not by President Clinton.

In an effort to prevent, then shorten, our Bosnia mission, the opponents complained that the Administration had not spelled out clear benchmarks, which, if met, would enable our troops to withdraw from Bosnia.

Now, my friends, he has given us these benchmarks. And what do the opponents of our Bosnia policy say? They say that he has shifted the goalposts by giving specifics. Give me a break!

Second, I understand that the Senator from Texas said that she didn't find the benchmarks to be very concrete. After having examined the conditions and benchmarks, I find her confusion rather puzzling. Therefore, I will now go into detail about them.

I have spoken frequently about the enormous progress that has been achieved in Bosnia since the cessation of hostilities and about the difficult tasks remaining ahead.

Today I will concentrate on showing that in voting to fund a continuation of the SFOR mission, we are not voting for an open-ended commitment.

Rather, the Administration has drawn up clear benchmarks, which, when met, will allow our troops to come home.

But, Mr. President, part and parcel of these benchmarks is interpreting them, and in this connection I will insist that the Senate is part of the process.

Mr. President, ten key conditions have been identified, each containing objectives and concrete benchmarks, which constitute our "game plan" in Bosnia.

These ten conditions are: 1. Military Stability; 2. Police and Judicial Reform; 3. Functioning National Institutions; 4. Reformed Mass Media; 5. Democratization and a Functioning Electoral Process; 6. Economic Reconstruction and Recovery; 7. Refugee Returns; 8. A Settlement for Brcko; 9. Resolution of War Crimes; and 10. International Organizations Able to Function without Military Support.

I would like to turn to the benchmarks for each of these conditions.

The precondition for all progress, of course, is the creation of military stability. The benchmarks of this first of the ten conditions include the maintenance of the ceasefire, weapons secure in their cantonment sites, and the arms control limits set since Dayton adhered to.

The special police forces must be disbanded or restructured and inter-entity arms control and confidence and security building measures adopted.

In addition, the American-run Train and Equip Program must be successfully completed, with a traditional support and sustainment arrangement with the Federation Army in place.

Second, the benchmarks for police and judicial reform require that all local police forces are restructured and ethnically integrated. Basic skills and human rights training must be completed so that the police can deal effectively and fairly with civil disturbances. Police academies with professional leadership must be functioning.

The intelligence services and the secret police must be stripped of all police functions, and an effective judicial reform program must be in place.

Benchmarks for attaining the third condition for troop withdrawal are in the governmental area. They include all outlawed pre-Dayton institutions having been dissolved. Foremost among these are the remnants of the Bosnian Croat so-called "Herceg-Bosna."

A functioning customs service and control over state revenues must be established, including transparency in budgets and disbursements. Funds must be flowing to national, not entity, institutions, which have permanent staffs and facilities in place.

The fourth condition for the withdrawal of our troops concerns the mass media. Its benchmarks begin with political parties being divested of their control of the broadcast networks. Entity and national-level media policy and regulatory structures must be in place. A new election law must guarantee that opposition parties have access to the airwaves. Independent media, already in existence, should be generally available throughout the country.

Benchmarks for the fifth condition, democratization and the electoral process, are particularly important. Local, entity, and national governments must be beginning to function transparently. Political parties will have to accept binding arbitration for the implementation of the results of contested local elections.

Bosnian electoral laws must be modified to meet the standards of the Organization for Security and Cooperation in Europe (OSCE). The September 1998 elections must be conducted in a free and fair manner, with the need for OSCE supervision reduced.

The sixth condition for withdrawal of American troops involves economic reconstruction and recovery. As benchmarks, agreement must be reached on a permanent national currency. Privatization laws must be drawn in line with Dayton. Major infrastructure including transportation, power grids, and telecommunications must be repaired and functioning.

The program of the International Monetary Fund must be in place with traditional lending programs begun.

The fundamental and emotional issue of refugee returns comprises the seventh condition. The property laws of both entities in Bosnia must comply with the Dayton Accords. Property commissions must be fully functioning. Both the Federation and the Republika Srpska must be participating in phased and orderly cross-ethnic returns.

The key cities of Sarajevo, Banja Luka, and Mostar must have accepted substantial returns of refugees and displaced persons, and the local police throughout Bosnia and Herzegovina must protect returnees, whatever their religion or ethnicity.

The thorny subject of Brcko comprises the eighth condition needed to be met before all troops can be withdrawn. An arbitration award must have been implemented without violence. As we know, Mr. President, in mid-March the arbitration award on Brcko was postponed for the third time.

Specific benchmarks for Brcko include local elections having been implemented, an integrated police force functioning, two-way refugee returns and ethnic reintegration continuing to progress, and job creation underway.

The ninth condition involves war crimes. All parties to the Dayton Accords, including entity justice authorities, must be cooperating with the International Criminal Tribunal for the Former Yugoslavia (ICTY).

Local authorities must facilitate the apprehension of indictees.

The tenth and final condition necessary for withdrawal of American troops, Mr. President, concerns the relationship of Bosnia with international organizations. One benchmark is certification that local authorities and the entity armies are capable of assuming responsibility for demining operations.

Another is that the Office of the High Representative in Bosnia (OHR) demonstrates its authority to enforce inter-entity agreements without military back-up.

A third, more general, benchmark is that the OSCE, NATO, and the European Union develop more traditional relationships with Bosnia and Herzegovina.

Mr. President, I believe that these detailed conditions and benchmarks show conclusively that the Administration is not asking for an open-ended commitment. It has the exit strategy that critics have long been demanding.

One or two of the ten conditions, and several more of the individual benchmarks have already been met. Many others are well on their way to fulfillment. Many others are only just beginning to be implemented.

And, Mr. President, I would repeat my cautionary word that the fulfillment of such a detailed formulation leaves much open to interpretation.

If the Senate approves this supplemental appropriation for our troops in Bosnia—as I strongly believe it should—we have the right to insist that the Congress be consulted on an

ongoing basis on how the implementation of these civil-military benchmarks is going and also that our NATO and other SFOR partners are continuing to shoulder their responsibilities.

The SFOR mission is of high national security importance for the United States.

We have every right to be pleased with the quite striking progress that has been achieved in Bosnia over the past year. Much remains to be done, and with the game-plan—the “exit strategy” if you will—that the Administration has provided, closer cooperation with Congress is possible.

I urge passage of this supplemental appropriation for both Iraq and Bosnia. I think that it is vital that the Senate and House pass this supplemental as soon as possible. The more expeditiously we act, the less our military readiness will suffer. The brave men and women serving in Bosnia and Iraq deserve to know that their missions are adequately funded by a proud Congress and not by cannibalizing important core military accounts.

For that, they should thank the Senator from Alaska, because he has been absolutely, positively—how can I say it politely—consistent in insisting that we undertake these missions without cannibalizing our core accounts.

Both of these missions further America's national security interests. They have achieved real results and what the Chairman of the full committee is suggesting is the way to go.

I compliment the chairman in being able to fend off the amendments put forward so far today. I wish him luck for the remainder of the process here.

I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Does the Senator from Illinois seek time?

Ms. MOSELEY-BRAUN. Yes, only 2 minutes. It was really a very short statement.

Mr. STEVENS. Mr. President, I yield to the Senator for not to exceed 5 minutes because we want to get to the Wellstone amendment as soon as possible.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

---

#### THE TRAGEDY IN JONESBORO, ARKANSAS

Ms. MOSELEY-BRAUN. Mr. President, I would like to take a brief moment to express my condolences to the families of the students and teachers killed or wounded during yesterday's tragic shooting at the Westside Middle School in Jonesboro, AR. The Nation's prayers are with those families today and, of course, the thoughts of all Americans are with the people of the Jonesboro community. It is yet another American community whose residents' lives have been changed forever by children who managed to get access to firearms.

The attack yesterday was the third multiple killing in a school by a youth under the age of 16 in the last 6 months. Mr. President, these horrific crimes amply demonstrate that we have a responsibility to oppose the proliferation of violence and to stand fast against any effort to make firearms more freely available. Does anyone in their right mind still believe that it is possible to raise children in a society where guns are so easily obtained? It is clear that we cannot protect our children in such a world. They are such easy prey for those who seek to maim and to kill.

Now, Mr. President, until all the facts have been obtained, it would not be prudent to speculate on the events leading up to the massacre in the school yard yesterday. But this much we do know: We must come together as a society and recommit ourselves to keeping firearms out of the hands of children and guaranteeing that only those people who know how to use guns responsibly have access to them. In order to make our community safer, we must expand programs to train gunowners in the proper use and storage of their weapons.

I believe that responsible gunowners have nothing to fear from reasonable gun laws, and that is what I think we need to have a debate and talk about, and that is what the majority of us who support reasonable gun control seek to have happen—laws that will help to keep tragedies like the one that happened yesterday in that small community in Arkansas from ever happening again. I think it is appropriate for us to have that debate, given the importance to our children, to their safety, to our liberty and freedom and safety in our communities.

I yield the floor.

Mr. BUMPERS. Mr. President, will the Senator yield? Senator MOSELEY-BRAUN was speaking about the shooting in Jonesboro, and I have not said anything on the floor about that. I would like 2 minutes to follow up on that.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senator from Arkansas be recognized for 2 minutes, and following that, the Senator from Ohio be recognized for not to exceed 5 minutes.

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

The Senator from Arkansas is recognized.

---

#### THE TRAGEDY IN JONESBORO, ARKANSAS

Mr. BUMPERS. Mr. President, let me just, first of all, express my profound thanks to the distinguished Senator from Illinois for her sensitivity and sincere compassion over what is the most traumatic event, perhaps ever, in my State. We have tornadoes and we lose a lot of lives in tornadoes, and we have a lot of property damage. But for just sheer trauma, this event is really