Whereas, restrictions on the sharing of aviation resources result in reduced public safety, and are poor fiscal and public policy; and

Whereas, the National Sheriffs' Association at San Antonio, Texas passed resolution 1995–13 strongly opposing the Independent Safety Board Act of 1994, now designated P.L. 103–411; and

Whereas, the National Sheriffs' Association, in cooperation with the International Association of Chiefs of Police, the Airborne Law Enforcement Association, the National Association of State Foresters, the Western States Sheriffs' Association, and many other state sheriffs' associations, supports amendments to P.L. 103–411 to correct the law's deficiencies; and

Whereas, Representative Elton Gallegly of California has sponsored a bill in Congress and that bill is H.R. 1521, the Public Services Aviation Act of 1997; and therefore, be it

Resolved, That the National Sheriffs' Association supports passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997 or its equivalent; and therefore, be it further

Resolved, That the NSA Executive Director or his designee be authorized to transmit a copy of this resolution to all interested parties including, but not limited to, Members of the United States House of Representatives and Members of the United States Senate.

FLORIDA SHERIFFS ASSOCIATION,
Tallahassee, FL, May 28, 1998.

Hon. BOB GRAHAM,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: The purpose of this correspondence is to thank you for your support and personal involvement in correcting the problems created by the passage of Public Law 103–441. The correction of these problems will allow not only the Sheriffs of Florida, but also the Sheriffs across this Nation, to carry out their lawful duties and to utilize agency aircraft to better serve the public safety of our citizens.

Sheriff Tom Mylander, Hernando County, has requested that I forward to you the enclosed information concerning the utilization of aircraft as it relates to juvenile or gang related activities. This information was requested by a member of your staff.

Please let us know if there is anything further that we might do to assist you in your efforts.

Sincerely,

J.M. ''BUDDY'' PHILLIPS,
Executive Director.

SUPPORT OF PUBLIC SERVICES AVIATION ACT OF 1997

Whereas, air support is a vital component of police operations; and,

Whereas, hundreds of law enforcement agencies at the local, state and federal level operate aircraft; and,

Whereas, in 1994 the United States Congress passed and the President signed Public Law 103–411, which severely restricted law enforcement's ability to effectively utilize aircraft in legitimate law enforcement missions; and,

Whereas, the stated purpose of P.L. 103–411 was the promotion of aviation safety yet of P.L. 103–411 accomplished no appreciable gain in aviation safety; and,

Whereas, restrictions on the sharing of aviation resources imposed by P.L. 103–411 has resulted in reduced public safety and is poor fiscal and public policy; and,

Whereas, the National Sheriff's Association, Airborne Law Enforcement Association and many other associations representing public aircraft operators support legislation that would correct P.L. 103–411; and,

Whereas, H.R. 1521, the Public Services Aviation Act of 1997; is currently before Congress, and

Whereas, H.R. 1521 corrects the deficiencies of P.L. 103–411; now, therefore be it,

Resolved, That the International Association of Chiefs of Police supports the passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997 or its equivalent; and be it further,

Resolved, That the Executive Director or his designee be authorized to transmit a copy of this resolution to all interested parties including, but not limited to, members of the United States House of Representatives and the United States Senate.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the Senator from Florida has brought forward a very good amendment. It is our hope we could agree to it. At this time, because of the potential of a CBO scoring which could impact the underlying bill, it is impossible for us to do so. So our proposal would be we keep this on the list for a vote tomorrow morning, and if we have not gotten the proper response we are comfortable with from CBO, we can take the issue up at that time and try to resolve it at that point.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that Ms. Laurie Zastrow and Ms. Diane Trewin of our office be granted the privilege of the floor for the duration of the consideration of the Commerce-State-Justice appropriations bill.

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

Mr. DOMENICI. Mr. President, the Senate-reported Commerce, Justice, State, and the Judiciary Appropriations bill, S. 2260, represents the excellent work of my distinguished colleague from New Hampshire, Subcommittee Chairman GREGG. It is a difficult task to balance the competing program requirements funded in this bill, and he and his staff are to be commended for their efforts to present a sound and equitable measure for the Senate's consideration.

When outlays from prior-year budget authority and other completed actions are taken into account, the bill totals $33.2 billion in budget authority and $31.8 billion in outlays for fiscal year 1999.

The bill is within the revised Senate Subcommittee's Section 302(b) allocation for both budget authority and outlays. It is $10 million in budget authority and $6 million in outlays below the 302(b) allocation. It is $1.4 billion in budget authority and $2.6 billion in outlays above the 1998 level.

I today submit a table displaying the Budget Committee scoring of this bill.

It is a pleasure serving on the Appropriations Subcommittee with Chairman GREGG. I appreciate the consideration he gave to issues I brought before the Subcommittee, as well as his attention to the many important programs contained in this bill.

I ask unanimous consent the table be printed in the RECORD.

There being no objection, the table was ordered to be pritned in the RECORD, as follows:

S. 2260, COMMERCE-JUSTICE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL

(Fiscal Year 1999, $ millions)

	Defense	Non-defense	Crime	Manda-tory	Total
Senate-Reported Bill:					
Budget authority	335	26,775	5,514	554	33,178
Outlays	320	26,285	4,688	555	31,848
Senate 302(b) allocation:					
Budget authority	335	26,775	5,524	554	33,188
Outlays	326	26,285	4,688	555	31,854
1998 level:					
Budget authority	265	25,725	5,225	522	31,737
Outlays	346	24,627	3,779	532	29,284
President's request:					
Budget authority	336	27,534	5,513	554	33,937
Outlays	331	27,030	4,590	555	32,506
House-passed bill:					
Budget authority	....	....	....	....	....
Outlays	....	....	....	....	....
SENATE-REPORTED BILL COMPARED TO:					
Senate 302(b) allocation:					
Budget authority	....	....	−10	....	−10
Outlays	−6	....	....	....	−6
1998 level:					
Budget authority	70	1,050	289	32	1,441
Outlays	−26	1,658	909	23	2,564
President's request:					
Budget authority	−1	−759	1	....	−759
Outlays	−11	−745	98	....	−658
House-passed bill:					
Budget authority	335	26,775	5,514	554	33,178

S. 2260, COMMERCE-JUSTICE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL—Continued

(Fiscal Year 1999, $ millions)

	Defense	Non-defense	Crime	Manda-tory	Total
Outlays	320	26,285	4,688	555	31,848

NOTE: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. GRAMS. Mr. President, I don't wish to interrupt the debate on this bill, but as no one desires to speak right now, I ask unanimous consent I be allowed to speak for up to 20 minutes as in morning business.

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

Mr. GRAMS. Thank you, Mr. President.

RETIREMENT SYSTEM: THE INTERNATIONAL EXPERIENCE

Mr. GRAMS. Mr. President, in my most recent statements before this Chamber about the Social Security system, I have taken time to discuss its history and the looming crisis, that it will shatter the retirement dreams of our hard-working Americans.

Mr. President, in my most recent statements before this chamber about the Social Security system, I discussed its history and the looming crisis that will shatter the retirement dreams of hard-working Americans. Tonight, I would like to discuss Social Security from a different perspective, by turning our focus away from the coming crisis to look at the steps other nations have taken to improve their own retirement systems. I realize that it may be hard to look outside ourselves for possible solutions to the problems our Social Security system is facing—after all, we are a nation that is typically at the forefront of innovation. But if we set aside our pride, we can learn volumes about the viable international options before us.

Retirement security programs throughout the world will face a serious challenge in the 21st century due to a massive demographic change that is now taking place. The World Bank recently warned that, across the globe, ''old-age systems are in serious financial trouble and are not sustainable in their present form.'' Europe, Japan, and the U.S. share the identical problem of postwar demographic shifts that cannot sustain massively expensive social welfare programs. How to meet this challenge is critical to providing retirement security while maintaining sustainable, global, economic growth.

The crisis awaiting our Social Security system is nearly as serious as that faced by the European Union and Japan. What is equally serious is that, while many other countries have moved far ahead of us in taking steps to reform their old-age retirement systems, Congress has yet to focus on this problem. Some of the international efforts are extremely successful; those reforms may offer useful models as we explore solutions to our Social Security system.

Currently, there are three basic models being implemented abroad that deserve our attention. The ''Latin American'' model primarily follows Chile's experience. The Organization for Economic Cooperation and Development model, or ''OECD,'' is underway in the United Kingdom, Australia, Switzerland, and Denmark. There is even a third model—the ''Notional Account'' model—that has been adopted in countries such as Sweden, Italy, Latvia, China, and is on the verge of adoption in Poland.

These models have differences, and the nations implementing them have differences as well—economic, political, and demographic. But they all share a common theme and were born out of the same fiscal crisis that is facing the United States within the next decade. Like the U.S., each of these countries has an aging population, and—before the reforms—had an inability to meet the future retirement needs of their workforce. So in an effort to avoid economic devastation for their people and their nation as a whole, they undertook various reforms that are proving to be a win-win for both current and future retirees.

How did they do it? And what lessons can we—as policy leaders—take from their experiences and apply here at home as we grapple with the shortcomings of our own retirement system? These are some of the questions I will address today in my remarks. The bottom line is that each nation faced the key challenges of taking care of those already retired or about to reach retirement age, ensuring that future retirees benefitted from the changes, and finding an affordable means of funding the transition from a pay-as-you-go government retirement system to a future financing mechanism.

Mr. President, I'll begin with the Latin American model and in particular, focus on Chile's experiences. Back in the late 1970s, Chile realized that its publicly financed pay-as-you-go retirement system would soon be unable to meet its retirement promises. After a national debate and extensive outreach, the Chilean government approved a law to fully replace its system with a system of personalized Pension Savings Accounts by 1980. Nearly two decades later, pensions in Chile are between 50 to 100 percent higher than they were under the old government system. Real wages have increased, personal savings rates have nearly tripled, and the economy has grown at a rate nearly double what it had prior to the change.

Under the Chilean plan, Pension Savings Accounts, or PSAs, were created to replace the old system and operate much like a mutual fund. Like the old government plan, PSAs were to provide workers with approximately 70 percent of their lifetime working income. That is where the similarities between Chile's old and improved retirement programs ends.

When Chile created the PSA system, the existing system of having workers and employers pay social security taxes to the government was completely eliminated. Instead, workers began to make a mandatory contribution in the amount of 10 percent of their income to their own PSA. The old employer taxes were then available to workers in the form of higher wages. Through this evolution from the old, hidden labor tax on workers to the new PSA system, workers saw real gross wages increase by five percent. Furthermore, it reduced the cost of labor—and the economy prospered.

Under the PSA system, a worker has great control over his or her retirement savings account. First, the worker has the ability to choose who will manage their fund from a pool of government-regulated companies known as ''AFPs.'' This provides the worker with the ability to move between managers, while maintaining protections from serious losses resulting from undiversified risk portfolios, theft, or fraud. The resulting competition between AFPs results in lower fees for workers, higher returns averaging 12 percent annually, and better service—something that rarely occurs with government plans.

Second, each worker is empowered to ensure the level of retirement income they desire. Armed with a passbook and account statements, these workers have the information necessary to follow their earnings growth and decide how to adjust their tax-free voluntary contributions in order to yield a specific annual income upon their retirement. For example, the Chilean system was established to provide an annual income equivalent to 70 percent of lifetime income. However, under the PSA system, income is averaging 78 percent.

Third, workers can choose from two payout options upon retirement. A worker can leave his or her funds in the PSA and take programmed withdrawals from the account with the only limitation based upon projected lifetime expectancy. Should the retiree die prior to exhausting the PSA fund, any excess amount is transferred to his or her estate. The other scenario allows a worker to use the PSA funds to purchase an annuity from a private insurance company. These annuities guarantee a monthly income as well, and is indexed for inflation. In the event of death, survivor benefits are provided to the workers' dependents. They build an estate for their heirs.

And finally, PSA accounts are not automatically forfeited to the government in the case of premature death or