SENATE-Monday, November 13, 1989

(Legislative day of Monday, November 6, 1989)

The Senate met at 2:30 p.m., on the expiration of the recess, and was called to order by the Honorable Thomas A. Daschle, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

O the depth of the riches both of the wisdom and knowledge of God! how unsearchable are his judgments, and his ways past finding out! For who hath known the mind of the Lord? or who hath been his counsellor? Or who hath first given to him, and it shall be recompensed unto him again? For of him, and through him, and to him, are all things: to whom be glory for ever.—Romans 11:33-36.

God of grace and love, we look for miracles, forgetting daily blessings so common. And, we neglect gratitude. Forgive us for our presumption, taking

benefits for granted.

We slept between clean sheets last night—many slept on the street or in automobiles. We showered with an abundance of water—many had none to drink. We ate a hearty breakfast—many had nothing this morning nor yesterday nor tomorrow. We wear clean clothes—many wear rags. We few have so much while the many have so little. We always have more than we need of everything—they never have enough of anything they need. Help us to be grateful, to care and to share.

In the name of Jesus, incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President protempore [Mr. Byrr].

The assistant legislative clerk read the following letter:

> U.S. Senate, President pro tempore,

Washington, DC, November 13, 1989. To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Thomas A. Daschle, a Senator from the State of South Dakota, to perform the duties of the Chair.

ROBERT C. Byrd.

President pro tempore.

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, this afternoon following the time for the two leaders, there will be a period for morning business until 3 o'clock with Senators permitted to speak therein for up to 5 minutes each.

At 3 o'clock, the Senate will resume consideration of S. 1582, the Poland-Hungary assistance bill. There will be no rollcall votes today. Any votes ordered today relative to that legislation will be scheduled to occur tomorrow

morning.

In order to complete action on the measure, I urge all Senators with amendments to be prepared to offer them today. All of the amendments and the debate will be completed today with votes remaining for tomorrow morning.

EAST GERMANY

Mr. MITCHELL. Mr. President, in the past year we have witnessed monumental changes in Eastern Europe, events many did not believe possible. Solidarity, only recently banned, was voted to lead Poland toward greater political and economic freedom. In Communists Hungary. distanced themselves from communism in an effort to compete with the democratic opposition in the upcoming elections. Even in Bulgaria, the most liberal member of the Politburo has taken charge, pledging to turn Bulgaria into a modern democratic and law-governed state.

But the enormity of the transformation underway has never been more clearly demonstrated than by the figurative, and now the literal, destruction of the Berlin Wall.

That wall, a symbol of division between East and West, has been disdesire for change, for freedom, for control of their future.

The images flashed across the West are almost unbelievable—young East Berliners dancing atop the once forbidden wall; traffic immovable as hundreds of thousands flood into the Western city to visit friends and relatives; mayors of East and West Berlin shaking hands in the midst of a jubilant crowd.

These images represent the fulfillment of our deepest wishes, change we have demanded for over 25 years. They are changes welcomed by people throughout the world.

When President Gorbachev assures us of his support for the changes taking place in East Germany, he expresses his satisfaction and pride in an event he has helped create.

When Americans voice their enthusiasm about the dissolution of the Berlin Wall, we are not, as some appear to fear, gloating. We are rather sharing in the same satisfaction felt by others around the world.

We, Soviets and Americans together, are celebrating East Germany's expression of freedom and steps toward

democracy.

That our two nations can praise this event at the same time is itself cause for celebration.

To acknowledge the tremendous significance of the symbolic destruction of the Berlin Wall and to give voice to the exhilaration felt by all Americans, I urge President Bush to travel to West Berlin.

It has been 40 years since the West demonstrated its commitment to the city's freedom by helping break the blockade strangling Berlin. It would be fitting for the American President to travel there to underscore the American commitment to the freedom of Berlin and our support for democratic reform in East Germany.

In Berlin President Bush should acknowledge personally the tremendous significance of the past week's events and the joy that all Americans feel at the prospects of greater freedom and democracy for the people of East Ger-

many.

I also urge the President to begin planning immediately with our European allies to hold a meeting in which we can have a detailed and thorough discussion about the proper Western response to changes within Eastern Europe.

It is widely recognized that there has begun a process of transforming

solved by the East German people's

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

the political, economic, and security arrangements on the European Continent. There is no doubt that the unanticipated pace of change in Eastern Europe has both immediate and long-term implications for the West and its various organizations including the European Community and the North Atlantic Treaty Organization. The Western nations cannot effectively assess or react to these changes if we ignore them or take separate paths in response.

The West Europeans, closest to the rapidly unfolding events and most directly affected by the changes in Eastern Europe, will have unique concerns and hopes from which the United States has much to learn. It is essential that we expand our consultation and coordinate our policies more closely than ever before. Whether it is from the Malta summit, the upcoming meeting of West German Chancellor Kohl and East German leader Krenz, the European Community's meeting in France in early December, or the NATO foreign ministers' meeting, the alliance partners must move together.

It is critical that we meet this historical opportunity as partners, for how we respond to the challenge of defining a new Europe also will define a new phase in our continuing relationship with our European allies.

In this respect, the talks underway in Vienna on confidence and securitybuilding measures and on reductions in conventional military forces will become even more important. Agreements reached in Vienna can complement the political reforms taking place in the East. By codifying and making permanent the military changes implied by political reform, these agreements can free up energies and resources for more peaceful and productive purposes. The United States has a special role in leading these talks to an early and successful conclusion, and I call upon the President to exert his strong leadership in these talks.

I will soon be making a more comprehensive statement about my hopes and expectations for the Malta summit between President Bush and President Gorbachev.

I wish here to reiterate my strong belief that, as we come to comprehend the historic changes occurring in the East bloc, we must not forget that these changes have occurred in large part because of the reforms initiated by President Gorbachev.

We must continue making concrete programs in areas that directly affect bilateral United States-Soviet Relations, such as the START negotiations and economic relations. I believe the United States has neglected the symbolic importance of normalizing our trading relationship with the Soviet Union. I hope that the President will reexamine his refusal to waive the

Jackson-Vanik amendment and that he will initiate the negotiation of a new commercial agreement with the Soviet Union, an agreement which is the prerequisite for granting of nondiscriminatory trade status.

I also believe that the administration is remiss in failing to clearly state that if the Soviet Union is prepared to play by Western economic rules, we will welcome it into the web of economic arrangements and organizations that guide Western commerce.

We ought not to change the rules to accommodate the Soviets, but we must say clearly, if they are prepared to abide by our rules, that we encourage their participation in Western trading organizations.

President Gorbachev has asked that the Soviet Union be included in those organizations, and I believe that we should grant the Soviet Union observer status in the GATT and other institutions as a recognition of and a contribution toward the reform efforts now underway in the Soviet Union.

These are times of enormous hope and opportunity. They offer promise we had only dreamed of and the prospects for greater peace and prosperity throughout the world.

I believe that the central economic lesson of the 20th century is the failure of communism as a system of economic and political organizations.

I urge President Bush to express the sense of elation that all Americans feel as the East German people cross and erase barriers that have imprisoned them for decades. I hope very much that he will voice our feelings and our collective hopes for Eastern Europe in the place where its future has been most dramatically transformed—the city of Berlin. That city, long representing the divided legacy of war, has now become the metaphor for rebirth and change, the beginning, perhaps, of a new, free Europe.

Mr. President, I conclude by saying again, communism has failed. A new order is about to commence across the continent of Europe. We are justifiably proud leaders of the free world. We are home of freedom and democracy. We, the people who twice went to the European Continent to preserve freedom there, have a great interest in working to see that the new order is one of freedom, democracy, and open, free economies.

The United States can and should continue its historic leadership in this area. Events of the past weeks have demonstrated beyond any doubt how universal is the desire and the longing for freedom, democracy, and economic opportunity; how dismally failed has been the Communist doctrine; how governments that require walls to keep their people in cannot be sustained over time.

This is an opportunity without precedent in our lifetime, an opportu-

nity that may not recur in our lifetime. I hope and urge our active leadership to use that opportunity to advance the interests of the United States and the interests of freedom throughout the world.

Mr. President, I hope later today, in consultation and cooperation with the distinguished Republican leader, to submit a resolution welcoming the opening of the Berlin Wall and calling for its complete destruction. I hope that my colleagues will join me in that expression of our policy.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OPPOSITION TO A PROPOSED DOLE AMENDMENT

Mr. ADAMS. Mr. President, later today we will be discussing aid to Poland. As part of that, I think we can all agree we are in support of the principle, and we will be, I am hopeful, generous with the Polish people for our benefit and for theirs and for that of the entire world in passing this bill.

However, I am informed that there will be an amendment that will attempt to do away with the cargo preference clause offered by the minority leader, my good friend from Kansas. The effect of this amendment would be to suggest that in order to support the democratic labor movement in Poland, we should abandon our commitment to our maritime labor union friends here in the United States. And while there may be a superficial appeal in the suggestion that we can purchase more for our dollar, in terms of food for Poland, by waiving our Nation's long-standing cargo preference requirement, the logic behind this

effort is faulty. The attraction of this amendment might also be extended to the argument that we, as a democratic nation, could purchase even greater quantities of food by purchasing these most needed supplies on the world market, rather than from our domestic agriculture industry. I am certain that my good friend from Kansas and others would speak most eloquently in opposition to such an effort, and I would agree with them.

Mr. President, rather than allow this body to divide over the issue of farm subsidies versus cargo preferences. I hope that our time today and tomorrow will be devoted to the truly historic events that are unfolding in Eastern Europe and the role we might play in helping to smooth the path of that progress. In so doing, it might be useful to recall that in very recent years, when the Solidarity movement was driven underground in Poland, it was in the union halls and on the waterfront of our country that working men and women expressed their own solidarity with that heroic effort; a movement that began in the shipyards of Gdansk. It seems a bit ironic, now that the Polish Solidarity movement has triumphed, that we are being asked to ignore the legitimate aspirations of our own maritime labor movement.

Mr. President, nothing will better speak of the Solidarity we feel with the Polish people than knowing this contribution of food, paid for with American tax dollars, will arrive at the docks in Poland under the flag of the United States of America, on American ships, operated by American workers.

Mr. President, we are witnessing events in Poland, Hungary, and East Germany that not only reaffirm our own faith in the basic principles of democracy but also show that after nearly four decades, the Iron Curtain is in an advanced state of corrosion, and is on the verge of collapse. The opportunity we are presented with today allows us a clear choice: Either to sit on the sideline as an eyewitness to history, or to lend our financial support, and our moral leadership, to an effort that will shape the future. Mr. President, our Founding Fathers, and the hundreds of patriotic Americans who have occupied the seats in this body in the first 200 years of this Republic, would certainly be justified in asking that we rise to this occasion. The financial assistance package that is before the Senate is relatively modest, when compared with the breathtaking changes that are occurring in Europe. I am pleased to note, however, that we are prepared to lend a far more generous and valued hand than what was suggested by the administration. In so doing, and recognizing the importance of the Polish people's date with destiny, we need

not shortchange our farmers or our maritime industry. In rejecting this amendment, and in passing this legislation, we can honestly state to the Solidarity movement: We are with you, we support you, and we share the dreams and aspirations that have carried your faith in democracy to this point in the history of your country and of the world.

Mr. President, I urge that this

amendment be rejected.

I will speak further on this at a later time, Mr. President, but I felt it necessary to do this today. We are well aware we want to be fair to all parties.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,703d day that Terry Anderson has been held captive in Beirut.

I ask unanimous consent that a well-written article on this subject from the Buffalo News be printed in the RECORD.

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

[From the Buffalo News, Oct. 28, 1989] Captivity Doesn't Bar Hope: Sister Sure, Anderson Was Alive for Birthday

(By Carol Ritter)

Washington.—Peggy Say is convinced her brother, Terry Anderson, was alive yesterday when he turned 42 years old.

"I try not to dwell too much on the fear," she said after a special "Mass of Hope" at the Georgetown University's Dalhgren Chapel.

"We were sent a videotape right after his birthday last year, and on the tape he said he had received the greetings we sent him and knew we were still remembering him. I'm hoping deperately to get another tape this week, but if I don't get one, I won't be surprised, either."

Say was joined at the Mass by members of her family and relatives of six others who are among the eight U.S. and 11 foreign hostages still being held in Lebanon.

The Mass for Anderson's birthday—the Associated Press reporter's fifth in captivity—was arranged by No Greater Love, a support organization for families of the hostages and others whose lives have been touched by terrorism.

Anderson has been a prisoner in Lebanon since being kidnapped by gunmen in Beirut on March 16, 1985. It is believed that he is held by Shiite Muslim fundamentalists.

Among those taking part in the service were other journalists, such as NBC anchor Tom Brokaw, Washington Post Executive

Editor Ben Bradlee and USA Today Editor Peter S. Prichard.

They said they shared Say's frustration.

"The outrage we all feel at the cause of this occasion defies any expression appropriate to this church," said Bradlee. "Hope fights in our hearts with outrage. Today, hope wins out, but barely."

Brokaw said he is "haunted by Terry's plight" and by the thought that Anderson might believe his fellow journalists aren't

doing enough on his behalf.

"Happy birthday, Terry. I hope this will be the best year of your life," he said.

Hearst Newspapers Bureau Chief Charles Lewis said hostages who have been released talked of Anderson's devotion to his Catholic faith, a devotion that prompted him to fashion a rosary from fibers he pulled from a cushion given to him by his captors.

The same kind of faith seems to motivate

Peggy Say.

Soon after Anderson was captured, Say, then living in Batavia, jumped into the national spotlight as a spokeswoman for her family and an ardent advocate of human rights.

As her brother's term of imprisonment lengthened, Say's quest for his release gradually took over her life. So after her father, a brother and a grandchild died, she found she needed to escape from the limelight. She moved from New York to Kentucky and avoided the press and public appearances for a year.

That was two years ago. Now she has found her voice again and is angry that she

let herself be silenced.

"I hate it today that I did that," she said.
"Those of us who remember the hostages were criticized for trying to continue the publicity, but why in the world would we be silent about this?

"I don't get any feedback from the Bush administration, but there's something in me that desperately needs to believe that they are not ignoring the hostages.

"My brother's life is worth no more or less

than any other. They've got to be free."
In Batavia, where Anderson grew up, the city celebrated his birthday, which has been declared "National Hostage Awareness Day" by Congress.

Church bells throughout Batavia were rung at noon yesterday, and last night, the city dedicated a vivid sculpture of Anderson—his hands bound in chains—that will stand in the Genesee County Mall until he

comes home.

Genesee County Legislator Steve Hawley, who graduated from high school with Anderson in 1965, spoke during the dedication ceremony. Hawley said a few months after Anderson was taken hostage, his classmates were planning their 20th reunion. Now, they are planning their 25th reunion next year with Anderson still in captivity, he said.

Buffalo television stations prepared two videotapes set to an original song for the day, said Anne Zickl, the coordinator for the Anderson family's efforts to free American

hostages.

"One of the videos includes tape of Terry running along a beach in Lebanon before his capture. It goes on for a while, and it reminds us that he hasn't been able to run at all in 4½ years," Zickl said.

CHARLESTON: AN AMERICAN STORY

Mr. HOLLINGS. Mr. President, I rise to express my appreciation to Abe

Rosenthal of the New York Times for his op-ed column in Friday's edition. In it, he shares his firsthand observations and impressions of Charleston. SC, and the city's remarkable efforts to recover from Hugo. As the dutiful journalist, Mr. Rosenthal reports the facts: yes, Charleston took a beating; yes, several of South Carolina's great pine forests were reduced to splinters. But what most interests him is the remarkable spirit of community and cooperation and decency that he encountered among the people of South Carolina's low country.

In addition, he reports on the defiantly optimistic, future-focused cam-paign by Mayor Joe Riley to win approval at the polls last week for a new \$20 million downtown aquarium. In pushing for approval of the aquarium, Mayor Riley spoke convincingly not just about the practicalities of attracting tourists, but about the needs of our schoolchildren. Most convincingly, he presented a vote for the aquarium as a vote for the future, as a symbol of Charlestonians' determination not just to restore their city, but to make it even better than it was before Hurricane Hugo.

Mr. President, I'm pleased to report that the aquarium initiative passed. This is one more tribute to the vision and can-do leadership style of Mayor Riley. More importantly, it is a tribute to the spirit of a great city, a city unbowed by Hugo and looking ahead to a brilliant future.

Mr. President, I ask unanimous consent that the Rosenthal column be reprinted in the RECORD in its entirety.

[From the New York Times, Nov. 10, 1989]

AN AMERICAN STORY (By A.M. Rosenthal)

CHARLESTON, SC .- On the day New Yorkers chose a black Mayor and Virginians a black Governor, white and black citizens of Charleston were also asked to show their belief in a common bond.

They were asked to vote with their pocketbooks for the future of their city, the American jewel that one midnight became the eye of the hurricane.

That midnight was less than two months ago. Charleston has fought day and night since then.

Hurricane Hugo lifted or damaged almost every roof in the city. Most have been put back into shape. Thousands of trees, the special delight of the city's people, were destroyed. Carpenters and roofers cannot help here, but the streets are clear and clean.

Central Charleston sparkles again, most of its beauty and grace intact or lovingly restored by its people. It is not a museum but a city where the people live and work in buildings put up a couple of hundred years ago and walk the lovely streets laid down then.

There is energy and work in Charleston and much ado about music. Plans are going right ahead for 1990-a production of "Porgy and Bess." and for the wonderful Spoleto Festival of music, art and dance.

Signs around town: "Hugo Who?" "Hurricane Hugo is History!" "Hugo, Kiss My Grits.

But nervousness is mixed in with the defiance. Tourism is the biggest source of income for the city. Will tourists come back to see the historic houses and gardens, to Spoleto, or will too many be frightened away by the memory and fear of the hurri-

Charleston is sending our one message: Come on down and visit, we are back. It is pleasant to be one of the messengers.

The progress and the optimism are not a facade. But neither is that the only story or the only message from Hugo.

Every disaster hits the poor hardest. Scores of small businesses, mostly black and without enough insurance or capital, are still closed and may never reopen.

And just 10 minutes from central Charleston, the devastation of the rural hamlets small towns makes the eyes hurt. Wooden houses and mobile homes are smashed into matchsticks. Pine forests are wiped out, turned into nature's junkyards.

Thousands of people had to move in with relatives, into homes already overcrowded. For them, the hurricane will not be over for a long time.

In the office of Mayor Joseph P. Riley, a meeting is going on-officials of local, state and Federal agencies, the Red Cross, the Salvation Army and the churches. They listen to each other report, ask questions, make plans

The United States Army, which moved effectively to help once it got its orders, is the hero. People here think the Federal emergency system is slow and clumsy. They say there should be standing instructions that would turn military supplies and manpower into civilian assets without delay.

But nobody is looking for villains. Everybody is credited with doing his best under

the cumbersome rules that exist.

Hugo was not followed by a social breakdown or governmental heartlessness. Checks are coming in from government agencies and from private insurers

But in South Carolina, like every place else in the country, the poorest people often have to wait longest for help. They find out they have put their money into the wrong kind of private insurance and then have to scrabble around for the documents to get Government help, which is supposed to get them back on their feet-not make up for their losses. Sometimes it all seems too much and they do not get the help they are entitled to-that's the other Hugo message.

Every dollar counts, for the city and the people. So on Election Day many thought the top issue, a referendum, was a lot of foolishness.

Here was the Mayor asking them to vote to go ahead with an aquarium that would cost about \$20 million. He said it was not just for tourists but for schoolchildren, and that it would provide research to help protect the waters where the fishermen of the Carolinas make their living.

Seventy percent of the voters decided it was not foolishness, that investing in tourism, children and the environment was a good way to spend money, Hugo or no Hugo.

And Hugo or no Hugo, one of Charleston's great attractions is on display all around town. People still smile and nod at strangers as they pass. It is a little startling at first. What do they want? They must be thinking of somebody else.

The visitor starts doing it himself, just to try it out. Quite nice.

ANOTHER COMMUNIST ASSAULT ON EL SALVADOR'S DEMOCRACY

Mr. HELMS. Mr. President, it is regrettable that the House-Senate conference on foreign aid apppropriations decided on Friday night to place an \$85 million cap on military aid to El Salvador, El Salvador, more than any other place in this hemisphere, desperately needs our fullest support. It is tragic that the Congress has cut the President's request for military aid, at the very time the democratically elected Government of El Salvador is fighting for its survival.

Mr. President, anyone who questions the importance of our support for El Salvador should look at the front pages of today's papers. The New York Times reads: "Salvador Rebels Launch Offensive; Fighting is Fierce, Hundre de Feared Dead." And the Washington Post reads: "127 Dead in Salvadoran Rebel Drive." In short, the FMLN Marxist guerrillas have launched the largest offensive of the decade, in a brutal effort to topple the democratically elected government of Alfredo Cristiani.

The reports that I have indicate that more than 300 people have already been killed over the past 2 days, and as of midday today, more than 400 were wounded. One of the innocent victims was an American schoolteacher working in the capital. Hundreds more have been wounded as the hospital corridors fill with the victims of this latest brutal offensive by the Communist guerrillas. Even the International Red Cross has been pinned down by the guerrilla instigated violence. It will be hard to forget the picture on the front page of this morning's Washington Post that shows Red Cross officials crawling through the streets of El Salvador.

Although reports are still sketchy, the initial facts of this latest offensive by the Communist-terrorists are the following:

First. The guerrillas attacked both the private and official residences of President Alfredo Cristiani.

Second. The guerrillas attacked the residence of the President of the democratically elected legislative assem-

Third. In an affront to the democratic electoral process, the guerrillas have attacked the central election headquarters.

Fourth. Four important military installations throughout the country have been attacked, they are: The 1st Infantry Brigade, the 6th Infantry Brigade, the 3d Infantry Brigade, and a national police installation.

Fifth. Neighborhoods where key members of the Salvadoran Armed Forces live with their families have also come under attack.

Sixth. At this time I understand that many guerrillas are forcibly entering the homes of innocent civilians and taking them hostage, in an effort to protect themselves from being captured.

Seventh. Weapons, ammunition and guerrillas have been captured in many places throughout the capital-most notibly in the National University, the Central American University, and the Retreat House of the Jesuits. And according to press reports, Government forces have captured Soviet-made weapons throughout downtown San Salvador.

Mr. President, there is a new and ominous development. The connection between Ortega, Noriega, and the Communist guerrillas throughout the hemisphere is well documented. But today I have even more information about the Ortega-Noriega-FMLN connection.

My sources, which have been accurate in the past, say that the Salvadoran Communist Party and the FMLM terrorists sent a delegation last week to meet with Noriega, Reportedly Noriega personally agreed to provide the terrorists with communications equipment, uniforms, medicines, and other assistance necessary to carry out this offensive.

Since their meeting with Noriega last week, the FMLN guerrillas have been acquiring the promised assistance from Cuban-front companies in the Panamanian Free Zone. Noriega has made arrangements to truck the supplies to Chiriqui, Panama. Once the supplies arrive in Chiriqui, Noriega is providing airplanes to fly the assistance to Nicaragua. In Nicaragua, Ricardo Wheelock-chief aide to the Minister of Defense-has personally coordinated the shipments of the supplies on to the Salvadoran terrorists, through the same channels the Nicaraguans use to send military hardware to El Salvador.

So far, Mr. President, I am pleased to report that the Government of El Salvador is in control of the situation. The Armed Forces have acted valiantly and responsibly to defend the people and democracy of El Salvador. President Cristiani, likewise. moved quickly to preserve stability and order in a country under siege. At a time when democracy in our hemisphere is at stake, we owe the Salvadoran Government and Armed Forces nothing less than our fullest support.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Chair informs the Senate that morning business is closed.

EXTENSION OF MORNING BUSINESS

Mr. SYMMS. Mr. President, I ask unanimous consent that morning business be extended to not last past the hour of 3:07 p.m.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

The Senator from Idaho is recognized.

Mr. SYMMS, I thank the Chair.

(The remarks of Mr. Symms pertaining to the submission of Senate Congress Resolution 81 are located in today's Record under "Submission of Concurrent and Senate Resolutions.")

Mr. HELMS. Mr. President, I suggest the absence of a quroum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1582, which the clerk will report. The legislative clerk read as follows:

A bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in

The Senate resumed consideration of the bill.

Dole amendment No. 1056, as modified, to promote democratization and reform in Poland and Hungary through development of the private sectors, labor market reforms, and enhanced environmental protection.

The PRESIDING OFFICER. The Senator from North Carolina.

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

PRESIDING OFFICER. Is The there objection?

Without objection, it is so ordered.

AMENDMENT NO. 1108

(Purpose: To provide for the use of excess foreign currencies)

Mr. HUMPHREY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1108.

Mr. HUMPHREY. 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 end of the committee substitute add the following new section:

. CERTAIN USES OF EXCESS FOREIGN CUR-SEC. RENCIES

(a) AUTHORITY To Use.—During fiscal year 1990, the Administrator for title I of the Foreign Assistance Act of 1961 may use, for the purposes described in subsection (b). such sums of foreign currencies described in subsection (c) as the Administrator may de-

(b) PURPOSES FOR WHICH CURRENCY MAY BE USED.-Foreign currencies may be used under this section-

(1) for the same purposes for which assistance may be provided under title I of the Foreign Assistance Act of 1961, and

(2) for the support of any institution providing education for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members.)

(c) CURRENCIES WHICH MAY BE USED .-The foreign currencies which may be used under this section are United States-owned excess foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies for other purposes specified by law.

(d) WHERE CURRENCIES MAY BE USED.-Foreign currencies may be used under this section in the country where such currencies are held or in other foreign countries.

(e) NONAPPLICABILITY OF OTHER PROVIsions of Law.-Foreign currencies may be used under this section notwithstanding section 1306 of title 31, United States Code, or any other provision of law.

(f) LIMITATION.-Foreign currency made available under this section may not be used in any Communist country listed pursuant

to section 4201(d).

Mr. HUMPHREY. Mr. President, this is an amendment that has been disclosed with the managers of both sides. I believe it is agreeable to them. I will just give a very brief description for the benefit of Senators listening from their offices.

This is an amendment to provide discretionary authority-and I emphasize "discretionary"-to the Administrator of the Agency for International Development to use excess U.S.-owned foreign currencies for development assistance programs and to provide assistance to overseas institutions that provide education for a significant number of American citizens.

This provision is similar to one that was adopted by the Senate by voice vote on two occasions last year. It has also passed the House on one occasion but, unfortunately, not on the same bill, and that explains why it has not yet become law.

In short, it is a noncontroversial provision that has previously been cleared by the entire Congress.

Mr. President, currently the United States holds certain foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies. An "excess currency" country is defined by the Department of Treasury as a country where the "supply of a nonrestricted currency is great enough to more than meet U.S. requirements for more than 2 years." So this amendment does not apply broadly to all U.S. owned foreign currencies. It only authorizes a use for a fraction of U.S.owned currencies-those that are designated as being excess to current or anticipated needs of the U.S. Government.

Specifically, this amendment permits AID to identify a use for these excess currencies-either for development assistance programs, or to assist overseas education facilities that are predominately attended by American students. In the case of Poland, this provision would give AID the authority to use these currencies to assist the programs authorized under this bill, if Poland were determined to be an excess currency country.

This provision would also permit AID to seek a means to use these excess currencies in countries other than those where they are held, through commodity exchanges, for example. Where AID determines a need, and if excess currencies are available. they would have the authority under this provision to provide assistance.

The point is this, Mr. President, historically under various transactions the United States accepts payments in local currencies. The Treasury Department in its 1988 report, "foreign currencies held by the U.S. Government" explains how we come by these currencies:

(1) In exchange for agricultural commodities financed by the Department of Agriculture (including repayment of loans of these funds):

(2) in repayment of loans financed by expenditure under the Foreign Assistance Act of 1961 and prior acts as amended; (3) as payment of interest on deposits of

foreign currency in foreign banks;

(4) from various other programs.

The report goes on to make the important point:

These nonpurchased foreign currencies are separate and distinct from the budget expenditure accounts and do not affect the budget surplus or deficit of the U.S. Government except to the extent that the currencies are sold for dollars.

Often such foreign currencies are soft currencies. They are not convertible into hard currencies. As the Treasury Department report states:

The foreign currencies reported herein in large part are neither freely convertible to other currencies nor freely spendable by the U.S. Government for the general support of its overseas operations.

And so, over the years, the United States has held millions of dollars in such foreign currencies. These are currencies that are difficult to employ to our Nation's advantage. To put it plainly, it is hard to spend this money because no one wants to accept payment in soft currencies. That is why such currencies accumulate until they are declared excess by the Treasury. When a foreign currency accumulates to the point of exceeding the 2-year needs of the U.S. Government to spend such a currency, then that currency by Treasury Department definition becomes an excess foreign currency. And so these assets sit there. They are a wasted asset.

Let me underscore, Mr. President, that any determinations as to who will receive assistance under this provision. must be made by AID. The amendment does not earmark funds, it does not specify which institutions, if any, will receive the assistance. It merely grants AID the authority to use these excess currencies for development assistance programs and to help educational institutions overseas attended by significant numbers of American children, American citizens. And let me emphasize also, the assistance is made available to the institution and not to the individual student, though of course the aim is to improve the situation of American citizens.

I know of no opposition to the amendment, Mr. President.

Mr. HELMS. Will the Senator yield? Mr. HUMPHREY. Yes.

Mr. HELMS. Mr. President, I commend the Senator on the amendment. I ask him if he would permit me to be a cosponsor of it.

Mr. HUMPHREY. By all means. I ask unanimous consent that the Senator's name be added as a cosponsor.

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

Mr. SIMON. Mr. President, will the Senator vield?

Mr. HUMPHREY. Yes.

Mr. SIMON. Mr. President, we have no objection to the amendment. It is discretionary. I think it is a good amendment. I see no reason for not approving it.

Mr. HUMPHREY. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. HUMPHREY. What is now pending? Is there another amendment pending prior to the Humphrey amendment?

The PRESIDING OFFICER. The Dole amendment to the committee substitute is pending.
Mr. HUMPHREY. Mr. President, I

withdraw my amendment.

Mr. HELMS. No. No. Mr. President, I ask unanimous consent that the Dole amendment be temporarily laid aside.

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

Mr. HUMPHREY. Therefore, the Humphrey amendment is pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I thank the floor managers for their help and cooperation.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. The Senator is quite welcome

Mr. President, this amendment is noncontroversial. It has passed the Senate on two occasions already and has passed the House already once. I am pleased to accept it on behalf of the Republican side.

It is not widely known, but the United States holds literally millions of dollars in foreign local currencies overseas. Generally, these local currencies are used for Embassy and other expenses of the U.S. Government in the country in which the currencies are held.

However, in some countries, the United States holds much more local currencies than can possibly be used for the expenses of our Government. What this amendment aims to do is to utilize these excess American-owned foreign local currencies for the benefit of American citizens studying abroad.

As I noted, this amendment has been adopted by the Senate twice and the House once. Its inclusion in this bill will ensure its enactment.

The PRESIDING OFFICER. there further debate?

If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 1108) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. SIMON. Mr. President, I offer an amendment on behalf of Senator HARKIN and ask unanimous consent that it be held over until tomorrow-Senator HARKIN is not here-but that it be held over until tomorrow for debate.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is the Senator sending the amendment to the desk to be printed and not be offered as an amendment to the bill?

Mr. SIMON. Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. I further ask unanimous consent that the pending amendment be laid aside so that the distinguished Senator from New Hampshire can offer another amendment which I believe may be agreed to.

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

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 1109

(Purpose: To provide for the cessation of assistance to Poland and Hungary in the event of a reversal of the process of democratization)

Mr. HUMPHREY. Mr. President, I again thank the floor managers for their help. I send an amendment to the desk which has been reviewed by the floor managers and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1109.

Mr. HUMPHREY. 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:

In the committee substitute, strike section 803 and insert in lieu thereof the following: SEC. 803. CESSATION OF AID.

(a) Funds provided under this act shall cease to be available for Poland if the President of Poland, or any other Polish official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion or if any member of the Senate or Sejm is removed from office or arrested through extra

constitutional processes.

(b) Funds provided under this act for Hungary shall cease to be available if the President of Hungary, or any Hungarian oficial, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or if any member of the Hungarian National Assembly is removed from office or arrested through extra constitutional processes.

Mr. HUMPHREY. Mr. President, the Senate has seen a version of this amendment before. I first offered the amendment to the Poland aid provisions of the foreign operations appropriations bill. It was accepted, adopted by the Senate, and has since been improved by the foreign operations conferees.

The amendment now at the desk is a further refinement of the language as agreed to by the foreign operations ap-

propriations conferees.

Mr. President, the purpose of the amendment is clear and simple. It would strike section 803 of the Simon substitute bill regarding termination of assistance to Poland and insert in its place stronger language similar to

what this body has already unanimously approved.

The amendment is designed to cease United States assistance to Poland or Hungary if there were to be a crackdown on democracy in either of those nations. For such a cessation of aid to occur, the leadership in Poland and Hungary would have to take severe measures, including the declaration of martial law for reasons other than necessary to respond to a natural disaster or a foreign invasion, or the summary illegal removal or arrest of members of the national parliaments through extraconstitutional processes.

If this were to happen, however, the leadership in Poland and Hungary should have no doubt, were this to happen, as to what the position of the United States would be. U.S. aid under this bill would cease automatically and

without debate.

Mr. President, I ask unanimous consent that an editorial published in the Washington Post on November 2 in support of the intent, general support of the intent, of this provision be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. With-

out objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. The distinguished Republican leader, Senator Dole, and my colleague from Illinois, Senator Simon, ask to be sponsors of this amendment. It has been cleared on both sides.

To reiterate, Mr. President, the effort here is to make it crystal clear to all parties in Poland and Hungary that if there is a return to the bad old days, if there is a regression to authority and rule as defined by the language of this amendment, then our money stops. The intent is to put parties on notice so they will not be tempted to take those kind of steps.

I thank the floor managers for their help in refining this language, Mr. President.

Ехнівіт 1

[From the Washington Post, Nov. 2, 1989]
AID FOR EASTERN EUROPE

Eastern Europe is going to need a lot of help if it is to keep moving steadily toward greater democracy and decentralized market economics. So far President Bush and the congressional Democrats have been quarreling about the narrow issue of how much money to put into an American aid bill for Poland and Hungary. They ought to be asking much broader questions: how to organize aid that will come from many donors, what conditions to attach to it, and what to do if other Eastern Europe countries begin to move in the same direction?

The Marshall Plan is the model that seems to overshadow the debate here. But this isn't 1947. Four decades ago the United States was the only country with the wealth to provide aid, and the aid was needed only to reestablish industrial production in countries that already had much industrial experience. Neither condition prevails today in

Eastern Europe.

Many countries are now capable of helping to support reform there, and some have already pledged substantial amounts. But most have pledged loans that are closely tied to specific purposes, usually to financing exports from the donor country. The donors are going to have to work together much more closely to ensure that the right kinds of money are available when needed.

Poland has launched itself into a transformation that's going to be much more complex—and uncertain—than the industrial reconstruction after World War II. It is going to try to adapt its economy and its society to compete in world markets with which it has had little contact since the 1930s. This time the aid is going to have to go beyond

foodstuffs and machinery.

Is this aid limited to Poland and Hungary? Mr. Bush is apparently prepared to discuss the Soviet economy with Mr. Gorbachev when they meet in December. In Prague the police once again were whacking peaceful demonstrators around last weekend. But the present Czech regime isn't likely to last long-not in a season in which even the East German government is making concessions to public protests. If the Czechs start to follow the Polish and Hungarian examples, at what point will they be eligible for aid? They need to know that help will be available-but they also need to know that the changes have to go beyond smiles and gestures. The donors would be wise to make it clear to all of these countries from the beginning that if any of them were suddenly to reverse their courses and revert to repres sion, as China did last spring, the aid would immediately and automatically cease.

The Bush administration is suffering a shortfall of initiative. It is bickering about the size of an American contribution while the much greater questions of organizing the aid and setting conditions are being left to a haphazard low-level process. Eastern Europe needs to hear the West's commit-

ment.

Mr. SIMON. Mr. President, I am pleased to be a cosponsor of this amendment. We have in the bill already some general language saying if there is a reversal of the process of moving toward democracy in Poland and Hungary that there should be a cessation of all of the aid that is provided here. This ties it down. I think it strengthens the bill, and I am very pleased to be a cosponsor. I think it will improve the bill.

Mr. HELMS. Mr. President, I ask unanimous consent that I, too, be made a cosponsor of the amendment.

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

Mr. HELMS. Just for the information of the Senate and those who may be listening, I think it would be instructive for it to be read. It speaks for itself eloquently.

Section 803, cessation of the aid, (a) Funds provided under this act shall cease to be available to Poland if the President of Poland, or any other Polish official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or if any Member of the Senate or Sejm is removed from office or arrested through extraconstitutional processes.

The same thing is said in paragraph B about Hungary.

I think it is an excellent amendment. We find it thoroughly acceptable on this side. I commend the Senator for offering it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 1109) was

agreed to.

Mr. HELMS. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The

Senator from Illinois.

Mr. SIMON. Let me offer the amendment on behalf of Mr. Harkin, and I enter it with the understanding that it will be printed in the Record, and that then if we move to this area of cargo preference, that he will have the opportunity to offer this amendment tomorrow.

I do not want to misquote my colleague, but I think that is the under-

standing.

Mr. HELMS. Providing it is understood that it is not being offered now, but simply being submitted to the

RECORD for publication.

Mr. BREAUX. Reserving the right to object, I say to my good friend from Illinois, I think discussions between the majority leader and the representatives of the minority are now underway on how to handle this right now, and if the Senator would withhold that request, I think we may have an answer to clarify that. They are working on it right now.

Mr. HELMS. I think that is right. Mr. SIMON. I am pleased to with-

hold that request.

The PRESIDING OFFICER. The Senator from Illinois withholds the Harkin amendment.

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

The PRESIDING OFFICER (Mr. PRYOR). Without objection, it is so ordered.

AMENDMENT NO. 1110

(Purpose: To provide a substitute for the provision regarding GSP treatment)

Mr. SIMON. Mr. President, I send an amendment to the desk on behalf of Senator Bentsen and myself.

The PRESIDING OFFICER. Does the Senator from Illinois desire to set aside the pending Dole amendment? Mr. SIMON. I ask unanimous consent that the pending Dole amendment be set aside to consider this amendment.

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

The clerk will report the amendment.

The legislative clerk read as follows: The Senator from Illinois [Mr. Simon], for Mr. Bentsen, for himself and Mr. Simon, proposes an amendment numbered 1110.

Mr. SIMON. 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:

On page 25, beginning with line 18, strike out all through line 22 and insert the following:

ELIGIBILITY OF POLAND FOR GENERALIZED SYSTEM OF PREFERENCES

SEC. 311. Subsection (b) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462(b)) is amended by striking out "Poland" in the table within such subsection.

Mr. BENTSEN. Mr. President, I am offering this provision because, in marking up S. 1582, the Senate Foreign Relations Committee acted outside its jurisdiction by including a trade provision in its bill. Previously, the Finance Committee had approved a similar provision. The purpose of this amendment is to make clear that the Finance Committee preserves its jurisdiction over such provisions by including the Finance Committee version of this provision in the bill.

In July, the Finance Committee considered the issue of GSP for Poland. The committee marked up an original bill, S. 1262, making Poland eligible for GSP. At the request of the administration, I moved the legislation quickly in the committee in an attempt to have the measure enacted before President Bush visited Poland in mid-July. In the event, however, that bill was not enacted at that time.

We now have before us a comprehensive bill providing assistance to Poland. In light of recent reforms in Poland, it is appropriate that this legislation make possible the granting of GSP to Poland. Under current law, certain Communist countries and certain developed countries are specifically listed as ineligible for GSP benefits. Poland is among these countries. The amendment that I am offering will strike Poland from this list and thereby give the President the authority to grant GSP to Poland. Poland will not automatically be granted GSP; however, if the President finds that Poland meets the criteria set forth in the statute, he will have the power to grant Poland the special duty treatment afforded to beneficiary countries.

Because the Finance Committee reported a bill making Poland eligible for GSP in July, I am now offering an amendment striking the trade provi-

sion in the Foreign Relations Committee bill and adding the language of the Finance Committee bill.

I urge my colleagues to support the amendment.

Mr. SIMON. This is an amendment offering the generalized system of preferences for Poland in this situation. It has, as I understand it, been cleared by both sides.

Mr. HELMS. It has, indeed.

Mr. SIMON. I ask that we adopt it at this point.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1110) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was

agreed to.
Mr. HELMS. Mr. President, I sug-

gest the absence of a quorum.

The PRESIDING OFFICER. The

clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. 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. McCONNELL. Mr. President I ask unaninous consent that the pending amendment be laid aside.

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

AMENDMENT NO. 1111

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Kentucky [Mr. McConnell] proposes an amendment numbered 1111.

Mr. McCONNELL. 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 reads as follows: At the end of the committee substitute:

The Secretary of Commerce and the Secretary of Energy shall establish a task force to analyze the current supply and demand situation of coal in the Soviet Union. The analysis will include, but not be limited to—

the causes of labor unrest in the Soviet coal industry and the impact of that unrest, of mining productivity, and of the transportation system in the Soviet Union on domestic coal production in that country;

the impact of increased industrialization and winter weather on Soviet coal demand; the likelihood of a shortfall between do-

mestic supply and demand;

the feasibility of meeting any shortfall which might occur with United States coal;

the feasibility of coal from other countries meeting any shortfall which might occur; and

steps which must be taken to enable United States coal to compete with other countries to meet any shortfall which might occur.

The task force shall report their findings to Congress within 45 days of enactment of this act.

Mr. McCONNELL. Mr. President, this is an amendment which as I understand it, has been cleared on both sides.

Mr. President, I rise today to offer an amendment which I believe could result in a significant market opportunity for the United States coal industry, a positive impact on this country's balance of trade, and a gesture of good will to the Soviet Union.

As we all know, the Soviet Union has been experiencing severe labor unrest in its coal fields and in its transportation sector recently. That unrest has hurt domestic coal production in the Soviet Union and led some observers, including Soviet Premier Mikhail Gorbachev, to speculate that a shortfall between domestic coal supply and demand will occur in the Soviet Union this winter or sometime in the near future.

Should such an imbalance in coal supply and demand occur, the logical supplier to meet the shortfall would be Poland. However, there is also some talk that Poland's coal supply may itself be interrupted or reduced as that country moves to phase out of operation some of its highly subsidized and inefficient coal mines.

Mr. President, this coal supply and demand situation, although somewhat unclear at this point, nonetheless presents a potential market opportunity for U.S. coal—a market opportunity which should not be ignored. What is needed at this time is more information and analysis of the situation.

Therefore, I am offering an amendment today which instructs the Secretary of Energy and the Secretary of Commerce to establish a task force to analyze the current domestic supply and demand situation in the Soviet Union. The analysis will look at the labor unrest situation, the transportation system, and mining productivity in the Soviet Union and determine their impact on domestic coal production in that country.

The analysis will also look at the impact of increased industrialization and winter weather in the Soviet Union on coal demand. Finally, the analysis will determine the feasibility of United States coal, as well as coal from other nations, meeting any shortfall which might occur and recommend steps which must be taken in order for United States coal to successfully compete for any market share which might become available in the Soviet Union in the near future.

Mr. President, it is not my intention to undercut those who struggle for change in either the Soviet Union or Poland. Union activists have historically been crucial advocates of reform.

It is my intention, Mr. President, simply to assist the domestic coal industry to take advantage of a market opportunity. As a nation, we too often sit and watch as market opportunities pass us by. When we do decide to act, it is often too late. Well, here is a potential market opportunity. Regardless of what some observers may say about the chances of the United States coal industry ever selling a single pound of coal to the Soviet Union, I happen to believe it is an idea worth pursuing.

I know the coal industry of Kentucky stands ready to expand its already significant export production. I am sure the coal producers of other States are in a similar position. The Federal Government should take steps to make sure these producers have access to every market opportunity available.

Mr. President, as I said, I understand that both sides have cleared this amendment.

Mr. SIMON. If my colleague will yield, it is acceptable on this side. We would be very pleased to support it.

Mr. McCONNELL. I thank the Senator from Illinois.

Mr. HELMS. Mr. President, the amendment is acceptable on this side. Mr. McCONNELL. I thank the Sena-

tor from North Carolina.
The PRESIDING OFFICER. The

question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. McConnell].

The amendment (No. 1111) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HELMS. Mr. President, I believe the Senator from Massachusetts has an amendment.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized

AMENDMENT NO. 1112

(Purpose: To express environmental-related concerns regarding the development of Poland and Hungary)

Mr. KERRY. Mr. President, I ask unanimous consent that the amendment by Senator Dole be temporarily laid aside.

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

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration. The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. Kerry] proposes an amendment numbered 1112.

Mr. KERRY. 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:

On page 8, line 23, insert "and environmentally sound natural resource management" after "principles".

On page 35, between 12 and 13, insert the

following:

(a) PRIORITY FOR THE CONTROL OF POLLUTION.—The Congress recognizes the severe pollution problems affecting Poland and Hungary and the serious health problems which ensue from such pollution. The Congress therefore directs that a high priority be given in the implementation of assistance to Poland and Hungary to the control of pollution and the restoration of the natural resource base on which a sustainable, healthy economy depends.

On page 35, line 13, strike out "(a)" and insert in lieu thereof "(b)".

On page 36, line 1, strike out "(b)" and

insert in lieu thereof "(c)".

On page 36, line 9, strike out "(c)" and

on page 36, line 9, strike out "(c)" and insert in lieu thereof "(d)".

On page 36, line 16, strike out "(d)" and insert in lieu thereof "(e)".

On page 36, line 17, strike out "(a), (b), and (c)" and insert in lieu thereof "(b), (c), and (d)".

On page 36, line 22, strike out "(e)" and insert in lieu thereof "(f)".

On page 38, between lines 13 and 14, insert the following:

(g) DEPARTMENT OF ENERGY ACTIVITIES.—
PRIORITY FOR EFFICENT ENERGY USE.—In view of the high energy usage per unit of output in Hungary and Poland, the Secretary of Energy shall give high priority to assisting officials of Poland and Hungary in improving the efficiency of their energy use, through emphasis on such measures as efficient motors, lights, gears, and appliances and improvements in building insulation and design.

(h) ALTERNATIVE INVESTMENTS IN ENERGY.—It is the sense of the Congress that the Administration should work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River.

Mr. KERRY. Mr. President, this is a very straightforward amendment which, I am pleased to say, both the majority and minority have agreed to accept. I will not go into a long explanation, or full explanation of it.

First of all, I congratulate the managers of this important legislation for moving it along, and particularly the distinguished Senator from Illinois, who has worked so long and so hard to see this happen. Needless to say, because of the visit of Lech Walesa here this week, there is obviously no more important time for us to conclude consideration of this legislation and send him back to Poland with an important

addition to his package of commit-

This amendment is an effort to try to set some guidelines within this legislation so the expenditure of these funds will be done in a way that takes into consideration an increasingly recognized but not enough implemented concern, namely the environment.

Poland, particularly currently, has monumental environmental problems. Less than 1 percent of the water in Poland is currently drinkable. And fully one quarter of the land in Poland is not usable for farming because of

the level of pollution.

This amendment says, indeed, it is good and appropriate that we should give assistance but let us not compound further the problems of the world by spending those moneys in ways that ignore sound ecological policy and sound sustainable growth and development policy which increasingly is becoming a concern to nations all over the world.

My amendment has four parts. It is designed to encourage U.S. assistance to face those environmental problems.

The first part simply inserts the phrase, "an environmentally sound national resource management" to the general authority language.

The second part establishes a number of important environmental initiatives in connection with the assistance that we provide both Poland

and Hungary.

The third part would add a new subsection to section 502 dealing with the Department of Energy, which recognizes it is vital that their use of energy be used in a way that would assist both countries in energy conservation and energy efficiency improvements.

Mr. President, it is my feeling that each and every foreign aid package ought to contain these kinds of measures. I think the Foreign Relations Committee has so stated in its adoption earlier this year of amendments to establish IMF and World Bank policy in their development procedures. I am delighted the Senator from Illinois, and the Senator from North Carolina agree and endorse and embrace these particular approaches.

To reiterate, my amendment has four parts to it and it is designed to encourage United States assistance to reverse the serious environmental problems facing Poland and Hungary.

The first part of the amendment inserts the phrase "and evnironmentally sound natural resource management" to the general authority language contained in page 8 of S. 1582. The purpose in adding this phrase is to ensure that the economic adjustment program which we are supporting for Poland is predicated on sound and sustainable use of the natural resources of that country. The promotion of environmentally sound natural resource management is a prerequisite for a

truly healthy economy over the long run.

The language of this section of this amendment is consistent with the provisions which have been passed in both the Senate and House. These provisions call upon the International Monetary Fund to recognize the relevance of sound natural resource management in that institution's structural adjustment lending.

Section 502 of the pending legislation establishes a number of important environmental initiatives in connection with the assistance we would provide both Poland and Hungary. My amendment would add an introductory section which would make official recognition of the seriousness of the pollution problems besetting Hungary and Poland an integral part of section 502. In addition, this provision would direct the President to give a high priority to addressing these serious pollution problems in implementing our assistance programs.

To illustrate the gravity of the pollution problems confronting Eastern Europe, the Worldwatch Institute reports that these countries suffer from some of the highest concentrations of industrial waste found anywhere in the world. In Poland the chemical contamination has rendered one-fourth of the soil unfit for food production and left only 1 percent of the water safe for consumption purposes. The tragic result, is that the life expectancy for men between the ages 40 and 60 has now fallen to the level it was in 1952.

The Worldwatch Institute reports that 13 million of Poland's 40 million population are expected to acquire at least one environmentally induced illness, such as cancer or respiratory ailments. Researchers in Poland have found alarmingly high concentrations of heavy metals in vegetables in the upper Silesia region which is heavily industrialized. Soil samples from vegetable gardens show levels of cadmium, lead, mercury, and zinc between 30 and 70 percent higher than the levels considered safe by the World Health Organization.

As we move forward with this legislation, it is imperative that we address these serious and tragic environmental problems in as comprehensive a manner as we can. The purpose of my amendment is to assist in establishing the context within which section 502

should be implemented.

The third element of this amendment would add a new subsection to section 502 dealing with the Department of Energy. This subsection recognizes that the inefficient use of energy in Hungary and Poland is a very serious problem. Therefore, this new subsection would direct the Secretary of Energy to assist officials in both countries with a variety of energy conservation and efficiency improvements. Studies have shown that such im-

provements as more efficient lights, motors, and appliances are four to six times more cost effective than investments in new sources of energy generation. Since both Poland and Hungary face serious economic conditions, it is imperative that both countries make the wisest and most cost-effective energy investments. As it turns out, the most cost-effective investments also are the most socially and environmentally beneficial.

At present, Hungary consumes more than seven times as much energy per dollar of gross national product as France or Sweden, four times as much per dollar of GNP as West Germany or Spain, and more than two and a half times as much per dollar of GNP

as the United States.

Poland is not as energy intensive as Hungary, but still uses three times as much energy per dollar of GNP as France or Sweden, and more than twice as much as West Germany.

Spain, or Italy.

Finally, the fourth part of this amendment also would add another new subsection to section 502. This new subsection urges the administration to work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River. The Government of Hungary is to be commended for suspending construction of a very costly and environmentally destructive dam on the famous Danube River.

Opposition to this costly dam has been a focal point for the forces of freedom in Hungary who prevailed upon the government earlier this year to suspend construction. The portion of the Danube at stake is considered to be the most beautiful in Hungary.

There is strong international support developing for protection of this stretch of the river. Friends of the Earth International, which is comprised of organizations in 37 countries, passed a resolution this past September calling for protection of the Danube River and opposing the construction of dams on this critical sector.

Having made the difficult choice to suspend construction of this project, the Government of Hungary requires the support and encouragement of the United States to preserve this area. The United States could be of immense help if we could give assistance in support of more effective energy conservation and efficiency projects in Hungary.

Mr. President, this amendment does not allocate any moneys in this legislation for the environmental problems which I am addressing. However, I do think the amendment establishes some important environmental policy guidelines for the executive branch to pursue in the implementation of the assistance we will be providing to Hungary and Poland. It is my hope that the managers of this bill will accept this amendment.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Illinois [Mr. Simon].

Mr. SIMON. Mr. President, I certainly do accept this amendment. It is

an improvement in the bill.

Let me add, we face a particularly difficult situation in the Krakow area of Poland, where the Nowa Huta steel plant nearby has some just overwhelming environmental problems it is causing. The average life span in the Krakow area is about 4 years less than in the rest of Poland.

Another problem we cannot address in this bill, and my colleague cannot address in his fine amendment, is a problem that is a growing problem around the world. That is a border country—in this case Czechoslovakia—had industries right near Poland causing serious pollution problems in Poland

Obviously, Poland cannot deal with this, but nations working in concert have to do that. One of the things we are going to have to do is work out arrangements so we can work, one with another, to prevent the kind of hazards to our people that too often afflict all countries of the world.

I am very pleased to accept the

amendment on this side.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina [Mr. Helms].

Mr. HELMS. I thank the Chair, the amendment is thoroughly acceptable

on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 1112) was agreed to.

Mr. KERRY. Mr President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk pro-

ceeded to call the roll.

Mr. SIMON. Mr. President, I ask
unanimous consent that the order for

unanimous consent that the order for the quorum call be rescinded.

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

Mr. SIMON. Mr. President, I want to take a few minutes of general comment about what has happened this past week in East Germany and the relevance of this bill to that.

When I was in the Army I was stationed along the Soviet zone border in West Germany in an outfit that no longer exists called the Counterintelligence Corps. My grand title was a special agent for the Counterintelligence Corps. That implied my doing a lot more exciting things than in fact I did. I, basically, was a courier, getting information—from people who managed to cross the border—about Soviet troop movements and other things like that.

But as I lived along that border and traveled that border, I had occasion to see the Soviet guns, to see that plowed field, with mines, to see the barbed wire, to see the spotlights, and occasionally to see people escape to freedom, but also to see people not make it to freedom.

I will always remember, and reading the stories about people going into West Berlin reminded me, a 14-year-old boy who went through all of that and came over to the West. I asked him, why did you do it? He said, well, I tasted a chocolate bar that someone had brought over from Western Germany and, he said, he figured if they had chocolate bars like that in the West he wanted to come to the West. And he risked his life to do it.

What is significant about this legislation right now, and Poland right now, is this. What happened in East Germany probably would not have happened but for the leadership of Poland. Lech Walesa and the Polish leadership moved to a free election and the downfall of the Communist control of the Government there.

East Germany, living between West Germany which is free, and Poland which is at least tentatively free, just could not stand there in isolation.

But Poland has to lead. We are getting some good signals out of East Germany and I hope they move ahead with an election. I hope they let the people choose. But we are not at that point yet.

What we do know is that Poland has reached that point. We should give them assistance. When I say we, I do not mean just the United States, but other countries. I am pleased to see not only Western European countries come to the aid of Poland but South Korea and Japan and other countries over there.

If we can succeed in Poland, raising the standard of living, and having a free system really do something for the people of Poland—and I think that can happen—then East Germany is not going to retain the kind of government they have had.

So it is extremely important. I am pleased to say I think we have agreements worked out at least on most of the details of this bill so that we can have a bipartisan, huge majority on this that I hope will send a strong message to the people of Poland: We are concerned; we share your dreams for freedom and a better life.

Unless someone seeks the floor now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk pro-

ceeded to call the roll.
Mr. HELMS. 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. HELMS. I further ask unanimous consent that the pending Dole amendment be laid aside.

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

AMENDMENT NO. 1113

(Purpose: To allow funds authorized under the provisions of the Act to be used for investment in Employee Stock Ownership Plans (ESOPs))

Mr. HELMS. On behalf of the distinguished Senator from Idaho [Mr. Symms] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. Helms], for Mr. Symms, proposes an amendment numbered 1113.

At the appropriate place, add the following: "Funds provided through the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans (ESOPs).".

Mr. HELMS. Mr. President, both sides have agreed to this amendment.

Mr. SIMON. If my colleagues will yield, I certainly agree to it. Our former colleague, Senator Russell Long, convinced me a long time ago that ESOP's are a great thing. They are great wherever they can be tried. I am pleased to support this amendment.

Mr. SYMMS. Mr. President, I am pleased to offer an amendment which I believe will strengthen the efforts underway in Poland and Hungary to promote freedom and democracy.

My amendment, which has been cleared by both sides, simply states that funds provided by the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans, or FSOP's.

Mr. President, we certainly recognize that state-run enterprises and industries have proven to be grossly ineffective. Among the problems with this business method is that there is a lack of initiative among the Communist-bloc workers. The two countries we are considering providing economic and technical assistance to are no different.

Simply throwing money into Poland and Hungary will not provide a single solution to their economic problems. Moreover, this is not what the people of those countries want either.

The amendment I offer can play a critical role in turning state-run economies into private enterprise, market-based systems. Employee Stock Ownership Plans are financial tools that would serve as incentives to Polish and Hungarian workers—that they can gain an ownership stake in the companies for which they work.

ESOP's would bring the true meaning of free enterprise to Polish and Hungarian individuals allowing them to gain access to capital and credit. Moreover, they allow these two countries to become more productive by extending profit motives to workers by making them part owners.

Finally, Mr. President, Employee Stock Ownership Plans would be a great step toward liberty and free-enterprise in Poland and Hungary. It would clearly broaden the economic base of the working men and women of both countries.

I am pleased this amendment has been accepted by the managers of this legislation. Because I believe free-market ideas and initiatives are what will move Poland and Hungary away from the policies and practices of communism and move them toward a capitalist society. Once the doors of free-dom have been opened, there is little that can truly stop it from widening further. I believe this amendment will help push open these doors a little further.

I thank the managers and yield the floor.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment. The amendment (No. 1113) was

agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HELMS. 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. DOLE. 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. DOLE. Mr. President, I have an amendment pending, amendment No. 1056. I ask unanimous consent that it be withdrawn.

The PRESIDING OFFICER. The Senator has that right, and the amendment is withdrawn.

The amendment (No. 1056) was withdrawn.

AMENDMENT NO. 1114

Mr. DOLE. Mr. President, I send an amendment to the pending committee substitute to the desk on behalf of myself and the distinguished Senator from Illinois, Senator Simon, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. Dole], for himself, and Mr. Simon, proposes an amendment numbered 1114.

Mr. DOLE. 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:

On page 7, after line 2, insert the following new section:

Sec. 4. Objectives of United States Assistance.—In order to ensure that United States assistance to Poland and Hungary supports the development of economic freedom and opportunities for the people of those countries, the objectives of the United States assistance to Poland and Hungary shall be the realization of the following rights by the citizens of Poland and Hungary:

 SECURITY OF PROPERTY AND CONTRACT. the right to legally acquire private property in all its forms, including secure legal title to land.

(2) A REGULATORY SYSTEM WHICH FACILITITATES ENTREPRENEURIAL ACTIVITY.—freedom from onerous regulations which have forced economic and entrepreneurial activity into the informal, or unregistered, economy should be eliminated.

(3) DISMANTLING OF WAGE AND PRICE CONTROLS.—a market for Polish and Hungarian industries and goods that is not distorted by government-mandated wages or prices.

(4) An open trade policy.—freedom from market-distorting restrictions or subsidies on imports and exports.

(5) LIBERALIZATION OF INVESTMENT AND CAP-ITAL FLOWS.—freedom from limitations on ownership of productive enterprises by both domestic and foreign investors, as well as freedom from restrictions on removal of foreign or domestic capital from Poland and Hungary.

(6) PRIVATIZATION OF THE STATE SECTOR.— The ignition of activity by Polish and Hungarian investors and entrepreneurs should be facilitated through the privatization of government enterprises.

(7) Pro-growth Tax Policy.—Encourage pro-growth tax policies which provide incentives for economic activity and investment.

(8) DEVELOPMENT OF A PRIVATE BANKING STRUCTURE.—secure rights to own and operate banks and other financial service firms, as well as unrestricted access to private sources of credit.

(9) Individual investment in the private sector.—access to financial instruments through which individuals may invest in the private sector, and

On page 13, at line 15, strike "\$320,000,000" and insert in lieu thereof "\$260,000,000" and

On page 13, at line 18, strike "\$80,000,000" and insert in lieu thereof "\$65,000,000" and At the end of section 201, add the follow-

ing new paragraph:

"() INELIGIBILITY OF CERTAIN ENTITIES.—
Neither the Polish-American Enterprise

Fund, the Hungarian-American Enterprise Fund, nor the Overseas Private Investment Corporation shall finance or include in any of its programs any venture, project or enterprise which:

(1) has, individually or in combination, more than 20 percent of ownership, control, or equitable interest by the Polish or Hungarian government, the communist party of Poland or Hungary, or any entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary, or high officials thereof;

(2) has a Board of Directors more than 20 percent of whom are high officials of the respective governments or communist parties

of Poland or Hungary;

(3) has been established by any organization or entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary;

(4) is required to accede to the rules of the Council for Mutual Economic Assistance."

On page 20, at line 1, after "(1)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 13, after "(2)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 15, strike "." and insert in lieu thereof the following new language:

", provided that a volunteer under this authority shall not be deemed to be an employee of the United States except for the purposes of—

(A) the tort claims provisions of title 28, United States Code, and

(b) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries." and

On page 27, at line 7, strike Section 304 in its entirety and

On page 34 at line 20, add the following new section:

"SEC. 403. EDUCATIONAL AND CULTURAL EX-CHANGES.

(a) OBJECTIVE.—It is the sense of the Congress that the President should—

 encourage privately administered educational and cultural exchanges between the people of the United States and the people of Poland and the people of the United States and the people of Hungary;

(2) consider the establishment of reciprocal cultural centers in Poland and the United States and in Hungary and the United States to facilitate government and privately funded cultural exchanges.

(b) Authorization of Exchanges.—Of the amounts authorized for educational and cultural exchanges administered by the United States Information Agency, not to exceed \$2,000,000 in fiscal year 1990 and not to exceed \$4,000,000 in fiscal year 1991 shall be available for activities in Poland and Hungary." and

On page 34, at line 22, strike Section 501 in its entirety and insert in lieu thereof the following new section:

"SEC. 501. ASSISTANCE IN SUPPORT OF DEMOCRAT-IC INSTITUTIONS AND ACTIVITIES IN POLAND AND HUNGARY.

(a) AUTHORIZATION OF ASSISTANCE.—Notwithstanding any other provision of law, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) \$12,000,000 for the three-year period which began October 1, 1989, which shall be available only for the

support of democratic institutions and activities in Poland and Hungary, of which:

(1) \$2,000,000 shall be available in each such fiscal year only for the unconditional support of activities and institutions in Poland, which institutions shall

(A) include all major non-communist po-

litical and social formations;

(B) not include among its membership any member of the Polish United Workers Party (or its equivalent, under whatever name the communist party of Poland may be known); and

(2) \$2,000,000 shall be available in each such fiscal year only for the unconditional support of democratic activities and institutions in Hungary, which institutions shall—

(A) include all major non-communist po-

litical and social formations;

(B) not include among its membership any member of the communist party of Hungary (or its equivalent, under whatever name the communist party of Hungary may be known)." and

On page 35, at line 11, strike Section 502 in its entirety and insert in lieu thereof the

following new section:

"SEC. 502. ENVIRONMENTAL INITIATIVES FOR POLAND AND HUNGARY.

(a) Environmental Protection Agency Activities.—In addition to specific authorities contained in any of the environmental statutes administered by the Environmental Protection Agency, the Administrator of that Agency (hereinafter referred to as the "Administrator") is authorized to undertake such educational, policy training, research, and technical and financial assistance, monitoring, coordinating, and other activities as he may deem appropriate, either alone or in cooperation with other United States or foreign agencies, governments, or public or private institutions, in protecting the environment in Poland and Hungary.

(b) AUTHORIZATION OF TRANSFERS.—The Administrator of the Environmental Protection Agency is authorized to use up to \$6,000,000 in each of fiscal years 1990, 1991, and 1992 of funds appropriated under Title VI of the Clean Water Act to carry out the purposes of this Title. The Administrator may also use up to \$2,000,000 appropriated to the Environmental Protection Agency under any other authorizing statutes to carry out the purposes of this Title.

(c) ACTIVITIES IN POLAND.—The Administrator shall cooperate with Polish officials and experts on appropriate environmental

projects, including-

 establishment of an air quality monitoring network in the Krakow metropolitan area as a part of Poland's national air monitoring network; and

(2) improvement of both water quality and the availability of drinking water in the

Krakow metropolitan area.

(d) ACTIVITIES IN HUNGARY.—The Administrator shall work with other United States and Hungarian officials and private parties to establish and support a regional center in Budapest for facilitating cooperative environmental activities between governmental experts and public and private organizations from the United States and Eastern and Western Europe." and

On page 39 after line 6, insert the follow-

ing new subsection:

(c) Restrictions.—No assistance provided to Poland under this section shall be used to perform, promote, or plan abortions; or to support the Defense or security forces of any Warsaw Pact member country." and

On page 41 of the bill, after line 16, insert in lieu thereof the following new section:

"SEC. 702. POLICY OVERSIGHT.

(a) Oversight of all programs provided for in this Act, as well as all other activities of the United States government conducted to assist Poland, should be exercised by an interagency group to be chaired by the Vice President and to include the Director of the Office of Management and Budget, the Secretaries of State, Commerce, Treasury, Labor, Defense, Health and Human Services, and Housing and Urban Development, the Administrator of the Agency for International Development, and the Director of the United States Information Agency.

(b) Congress commends the President for agreeing to send a High Level Team of Experts to assess the dramatic transition taking place in Poland. The private and governmental experience of team members should result in the first comprehensive official review and analysis of the economic

situation in Poland.

(c) The interagency group referred to in subsection (a) shall consult with the Team of Experts, and make available its findings to Congress and the American people and

On page 41, line 17, change "Section 702"

to "Section 703".

On page 45, at line 13, strike "803" and insert in lieu thereof "804", and

On page 45, at line 12, after "pluralism." insert the following new section:

"SEC. 803. REPORT TO CONGRESS.

Not later than 90 days after the effective date of this Act, and every 180 days thereafter for three years, the President shall report to the Speaker of the House of Representatives and the President pro tempore of the Senate a comprehensive "Report on Democracy and Free Enterprise in Poland and Hungary", which shall include a full description of the progress made in Poland and Hungary toward—

(1) the implementation of economic policies designed to promote sustained economic growth, to develop economic freedom, and to increase opportunities for the people of Poland and Hungary, including but not limited to the reforms and policies set forth in

Section 2 of this Act;

(2) the adoption and pace of implementation of constitutional, legal, and administrative measures that limit the power of executive authorities and establish and protect the independence of the judiciary;

(3) the full elimination of all constitutional, legal, and administrative measures that favor any political party or inhibit the formulation and operation of independent political parties, groups, associations, or organization.

nizations;

(4) the adoption of constitutional, legal, and administrative measures designed to establish and protect fundamental human rights and civil liberties, including but not limited to, freedom of speech, freedom of the press, freedom of religion, the right of Polish and Hungarian citizens to work, to join, or to refuse to join trade unions or labor organizations, and other freedoms comparable to those found in other democratic countries;

(5) the reduction and elimination of industrial practices detrimental to the environment and particularly harmful to human

health;

(6) elections in which all parties are able to participate freely with equal opportunity to form governments based on popular support;

(7) the elimination of espionage activities by operatives of the governments of Poland and Hungary against the United States and

its allies in the North Atlantic Treaty Organization" and

At the end of Title VIII, add the following new section:

"SEC. 805. TERMINATION OF ASSISTANCE TO POLAND AND HUNGARY UNLESS ARMS TRANSFERS AND SECURITY ASSIST-ANCE TO CUBA AND NICARAGUA CEASE.

(a) Three months after the effective date of this Act, the President shall terminate all assistance provided pursuant to this Act to Poland or Hungary, respectively, unless he certifies to the Speaker of the House of Representatives and the President pro tempore of the Senate that all arms transfers and security assistance, as defined in subsection (b) of this section, provided by that country to Cuba or Nicaragua, have ceased.

(b) For the purposes of this section, arms transfers and security assistance provided by Poland or Hungary to Cuba or Nicaragua shall include arms delivery, shipment, or transfer and security assistance in any form whatsoever, including but not limited to any provision or supply (whether by sale, grant, barter, or other arrangement) of weapons, weapons parts, ammunition, military vehicles or military aircraft or naval crafts or parts therefor; training of Cuban or Nicaraguan military, para-military, police, or other security personnel by Polish or Hungarian personnel; services of Polish or Hungarian military or security advisers in Cuba or Nicaragua; transport of other items described in this subsection, even if originating in a third country, by Polish-flag vessels or Polish or Hungarian aircraft (including both military and civil craft) to Cuba or Nicaragua; or any extension of funds, credits, loans, barter for goods, or other arrangement providing for the transfer of arms or security assistance from a third country to Cuba or Nicaragua.

(c) If, subsequent to three months after the effective date of this Act, the President finds that arms transfers and security assistance to Cuba or Nicaragua, as defined in subsection (b), have been resumed by Poland or Hungary after a previous cessation, he shall terminate all assistance to that country pursuant to this Act." and

On page 10, at line 23, after "shortages" insert the following new language: "and specifically targeted toward elements of the Polish population most vulnerable to hunger and mainutrition, in particular the infirm, the elderly and children;".

Mr. DOLE. Mr. President, this amendment has been discussed with the manager, Senator Simon, and with the manager on this side and members of the staff and a number of Senators who have an interest in this overall legislation.

I think one concern was that we certainly wished to help the Solidarity government, to help the people in Poland. This is probably the beginning of an undertaking today that will last for some time. We want to keep bipar-

tisan support for that effort.

I was trying to negotiate a lower figure in response to President Bush's initial request, then the House request and then the efforts by the distinguished Senator from Illinois. I believe we have reached some accommodation with reference to the total authorization. It has been reduced to \$738 million.

The point I wanted to make is that it seems to me that since this is going to be an ongoing, not responsibility. but it is an opportunity for the United States, that we should make certain at the outset that the money we spend is going to be properly directed and properly expended in an effort to help the free enterprise system help the Polish economy, help them develop a market economy. That is why I am thankful that the Senator from Illinois expressed a willingness to come together with some compromise. I think we have made that point.

This is an authorization bill. I know a substantial amount of money has already been appropriated in the appropriations process. This bill also eliminates the trade credit insurance program which many of my colleagues and many others are convinced just will not work in Poland. It reduces the authorizations I have indicated for the enterprise fund to \$325 million.

I think the amount now is \$400 million. That is more than I believe we should authorize, but in a spirit of compromise I have indicated to the Senator from Illinois and others, I think we should support that amount.

I am not certain precisely where the White House comes down on this total authorization. But I believe, from conversations with representatives, of the White House, State Department and others, that they view this as a step in the right direction, not because it is a smaller amount but because it gives us the opportunity to make a determination whether or not we are going in the right direction.

Overall, with minor changes and other small components of the package, it does yield about \$250 million less than the current proposal and more than half a billion dollars less than the original proposal.

Second, the bill incorporates major elements of the language in the substitute which I have just withdrawn including the following sections in toto, or nearly so:

The provision targeting food aid to the needy. It is obvious we want to make certain the aid goes to the people in need and not to someone who is going to profit from resale or other distribution; the provision which will guarantee that enterprise fund money is not used for businesses that are substantially owned by either the Government or the Communist Party: the reporting provision, so that we can truly see whether our aid is being integrated into a Polish economic and reform program that is consistent with our policy goals and will work; language ensuring that our medical assistance effort will not be used to facilitate abortions or aid Warsaw Pact forces; and the provision establishing an oversight board to be chaired by the Vice President.

In addition, this amendment includes three provisions that were not in our original substitute but also add important policy clarifications:

An excellent provisions, authored by the distinguished Senator from Colorado [Mr. Armstrong] which will ensure that we are not providing aid to Hungary and Poland at the same time that those nations-which, let us remember, remain members of the Warsaw Pact-are in turn providing military assistance to Cuba and Nicaragua. So in that case the aid would be suspended.

Second, a concise statement of policy objectives of our aid-an initiative of the distinguished Senator from Florida [Mr. Mack]-again ensuring that our aid ends up being used for the purposes envisioned in the legislation. So we need to make certain if we are going to authorize the money and appropriate the money that it is finally being expended in the right way.

And finally, a provision clarifying the authority of the Secretary of Labor in managing the labor assistance portion of the Polish aid pro-

gram.

I believe that an inclusion of these provisions makes it a better bill. I certainly think it was a good bill to start with but I think it is a better because we have reduced the overall authorization. It is a more fiscally responsible bill, and I think it is a bit strongermuch more than a bit stronger-from the policy standpoint.

I commend Senator LUGAR and Senator Domenici and Senator Murkowski and others, who worked on our side of the aisle on the original substitute, whose ideas and efforts are incor-

porated in this amendment.

We have met with the Polish finance minister to try to determine precisely what he felt we should do. Some of us have met with Lech Walesa, who just in the last one-half hour, I guess, has landed in Washington, DC. As I was coming in from the airport, he was about ready to land, and he was about to be surrounded by 9 or 10 television cameras so I know he will understand he is in Washington.

We have tried to approach this on a nonpartisan, bipartisan basis. Senator ROTH has been most helpful. He is going to have a couple of amendments to offer. We have had good cooperation on the other side of the aisle from Senator Simon and others who have

been urging this legislation.

I also thank the policy staff on the Republican side, whose input included and went beyond the Armstrong provision I have already mentioned, and also express appreciation to the majority leader, who helped us work out the arrangement under this amendment so it would be accepted and, finally, as I have indicated, I thank both Senator SIMON and Senator Pell, who directly and through their staffs have been involved in working out this arrangement.

Mr. President, I just noticed we adopted a Polish ESOP provision. Now if we could just go back and review a Polish capital gains provision, it might be helpful, too. I cannot get an American capital gains provision this year but maybe we will get one for people who invest in Poland and I will be happy to discuss that as part of a compromise later today.

I urge adoption of the amendment and again thank my colleagues.

Mr. SIMON. Mr. President, I am pleased to cosponsor this with the minority leader. This does make it a bipartisan effort, and it has been a bipartisan effort all along. It takes the idea of the enterprise funds, which is incorporated in my original bill at the suggestion of the President, and we have expanded on that. It reduces the total authorized appropriations by \$51 million, and frankly it does so in the out years because there is pretty much agreement on what we are going to be doing in the first year.

I thank Senator Dole. I thank Senator Helms. The majority leader, Senator MITCHELL, has been very helpful. Senator Pell, chairman of the Foreign Relations Committee, has been very helpful; my colleagues on the Foreign Relations Committee, including the Presiding Officer, Senator Robb, who has been a cosponsor of this legislation from the start and made a trip

over there.

There are a great many people who have helped to produce this result. It is a genuinely bipartisan bill. We have a few hurdles yet, a few controversial provisions, but I think we are clearly moving in the direction of passing something tomorrow of which this Nation can be proud.

The PRESIDING OFFICER, Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Kansas, amend-

ment 1114.

The amendment (No. 1114) was agreed to.

Mr. SIMON. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I think we are moving along. I say to my distinguished colleague from Illinois. On this side I have an amendment listed for Mr. Murkowski which I will prob-

ably offer on his behalf.

Mr. SIMON. If my colleague will yield, I think he has two amendments, or maybe he has incorporated those

Mr. HELMS. He does have two, I am advised.

Further, I understand that Mr. HUM-PHREY has one further amendment. Mr. Danforth has an amendment which he may or may not offer. Mr. HEINZ has a technical transfer amendment to which, when it arrives, I think both sides will agree. I will offer that. And then there is one by Mr. ROTH. That would seem to be it for this side as of now.

I wonder what the prospects are on

the majority side.

Mr. SIMON. We have one from Senator RIEGLE. We have no others. I understand that Senator ROTH may have two amendments also. But I think we are getting down close to getting this thing worked out.

Now, there is the whole question of cargo preference that may cause a bit

of a delay.

Mr. HELMS. Is that better known as

the Federalist Papers?

Mr. SIMON. I understand a couple of our colleagues are in good voice if we get into this. But I hope we are getting to the point where we can pass this without too much delay tomorrow. I would like to see us move to passage. Particularly with Lech Walesa here at this point, it gives an added little touch that I think is important.

Mr. HELMS. At this point I would be willing to let Mr. Walesa be an hon-

orary Senator.

The PRESIDING OFFICER. Does the Senator yield to the Senator from

Mississippi.

Mr. COCHRAN. Just for the purpose of a question, Mr. President, if the distinguished Senator from North Carolina will yield.

Mr. HELMS. I certainly will.

Mr. COCHRAN. If under the rule an amendment is not offered today, is it the understanding of the managers of the bill that that amendment then would not be in order tomorrow? My understanding was-the reason I ask it that way-that the debate had to be concluded today and that we would do votes, if any were required, tomorrow?

Mr. HELMS. Mr. President, there is no unanimous consent in that regard.

to my knowledge.

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. HELMS. I thank the Chair.

Mr. COCHRAN. I thank the managers of the bill.

Mr. SIMON. If my colleague will yield, there is a possibility that there may be a unanimous consent offered before the day is over, but there is none in effect at this point.

Mr. COCHRAN. I thank the distin-

guished Senator.

Mr. HELMS. Would that be an expression of a devout wish, I ask my friend?

Mr. COCHRAN. It is, indeed.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENTS NOS. 1115 AND 1116

Mr. HELMS. Mr. President, I send two unprinted amendments to the desk in behalf of the distinguished Senator from Alaska [Mr. Murkowskil, and I ask unanimous consent that they be considered en bloc. They have been cleared on both sides.

The PRESIDING OFFICER, Without objection, the amendments will be

considered en bloc.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS1. for Mr. MURKOWSKI. proposes amendments numbered 1115 and 1116.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows: (Purpose: To provide for emergency assist-

ance required by Poland for the fourth quarter of 1989)

AMENDMENT No. 1115

On page 7, line 17, Subsection 101(a), add a new subsection (2):

"(2) to the extent that the ongoing International Monetary Fund review of the Polish economy uncovers a probable balance of payments shortage for the fourth quarter 1989, the United States Government should work closely with the Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth guarter of 1989 and should consider extending a bridge loan to relieve immediate and urgent balance of payments requiring through the authority provided in paragraph (3)(A) of this subsection.

On pages 7 and 8 renumber the remaining paragraphs of subsection 101(a) accordingly.

(Purpose: To provide for emergency assistance required by Poland for the fourth quarter of 1989)

AMENDMENT NO. 1116

On page 9, line 4, subsection 101(b), add a new subsection (2):

"(2) The President, acting in coordination with the European Community, should call an urgent meeting of the industrialized democracies for the purpose of establishing a multilateral effort to respond to Poland's request for \$1 billion to support its economic stabilization program;

On page 9 renumber the remaining paragraphs of subsection 101(b) accordingly.

Mr. SIMON. Mr. President, we are in agreement with the amendments. They are perfectly acceptable. Let me, if I may, ask one unanimous-consent request. Senator Murkowski asked that he be included as a cosponsor of the legislation.

The PRESIDING OFFICER. Without objection, the name of the Senator from Alaska will be added as a cospon-

Is there further debate on the amendments? If not, the question is on agreeing to the amendments of the Senator from Alaska.

The amendments (Nos. 1115 and

1116) were agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1117

(Purpose: To require the Secretary of State to submit a classified report to Congress identifying confidence building measures by Poland and Hungary to facilitate technology transfers by the United States to both countries)

Mr. HELMS. Mr. President, I send to the desk an amendment in behalf of the distinguished Senator from Pennsylvania [Mr. Heinz] and ask for its immediate consideration.

The PRESIDING OFFICER. The

clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for Mr. HEINZ, proposes an amendment numbered 1117.

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, insert the following new section:

"SEC. . REPORT ON TECHNOLOGY TRANSFER TO POLAND AND HUNGARY.

"Not later than 180 days after the enactment of this Act, the Secretary of State shall submit a classified report to Congress identifying the confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of those kinds of agreements, including but not limited to, bilateral customs and technology transfer agreements, that would encourage greater direct private sector investment in Poland and/or Hungary."

Mr. HEINZ. Mr. President, I rise today to lend my voice in support of political democracy and economic pluralism in Poland and Hungary.

In this regard, I would hope that Goethe's dictum, "He who seizes the right moment is the right man," ap-

plies to this body.

The peoples of Poland and Hungary have certainly seized the right moment. We have witnessed epoch making events unfold in Poland since April, when Solidarity was legalized. And 2 weeks ago the people of Hungary, through their Acting President Matyas Szuros, formally declared Hungary a democracy after 41 years of Communist rule. The people of Hungary declared the Communist People's Republic of Hungary dead, and proclaimed the establishment of the Republic of Hungary. As President Bush has recognized, these development are welcome and deserve encouragement and assistance from the United States.

I fully support the economic assistance currently under debate. All of the various aid packages contain elements that will address critical Polish needs—especially funds for short-term economic stabilization and food assistance. The proposals also allocated seed money for the development of private sector joint ventures between Americans and Poles and Hungarians. This will help us transfer the most valuable aid of all—working knowledge of free enterprise for people who have been stifled for decades by central control.

The aid proposals also contain other key elements to increase contacts between the United States and Poland and Hungary. We will allocate funds to support scientific and environmental programs in Poland and Hungary, to support development of free labor markets and democratic political institutions, and to create an export market for American goods and services

All these things, for a relatively modest cost, will promote a Central American objective in Eastern Europe: To make the countries of the area independent, prosperous, and more closely tied to the United States and the West. This is not foreign aid so much as a direct investment in American security and peace in a region that has been the focus of world confrontation since the end of World War II.

But I do not believe that simply throwing money at the problem is a panacea to what ails Poland and Hungary. Their problems are systemic. Both have bureaucracies and civil services setup to administer socialist central planning, not free market economies. Both are suffering from inflation; Poland, certainly more than Hungary. Both suffer from structural economic problems that will require additional resources if their economies are to be transformed.

The United States has an important stake in helping these two countries succeed economically and politically. Lasting individual political rights endure only if accompanied by a system providing individual economic opportunity. The paramount interest of the West is to foster permanent change in the Polish and Hungarian economies in order to secure political gains and to encourage further progress in democratization. And, the Western democracies are not the only interested parties. Success in Poland and Hungary will be a major force for change in the Soviet Union and the rest of Communist Eastern Europe.

Mr. President, I believe that the best way to promote permanent economic

change is to promote direct, Western private sector investment. Western investment is inevitably accompanied by Western quality standards and Western methods of doing business. Western investment will be enhanced significantly by making available a higher level of technology, especially that which meets private investment requirements.

Commercially, neither country can hope to develop a competitive, Westernized economy with third rate technology. A Hungarian official recently told me, "We cannot have a first-rate economy with third-rate technology, and we cannot earn the currency required to transform our backward economies into modern ones if we cannot compete in the world market-place."

Both countries have taken small but important steps to restructure their economies to attract Western capital. Both, for example, permit up to 100 percent ownership of joint ventures and the repatriation of profits.

However, like the administration, I am deeply concerned with Poland and Hungary's close military cooperation with other Warsaw Pact countries, their membership in the Council for Mutual Economic Assistance [CMEA]. and the continued presence of the KGB in both countries. These are serious problems that I do not propose we overlook. But they are not insurmountable obstacles that should cause us to abandon the effort; rather we should focus our efforts on finding ways to encourage Poland and Hungary to continue to seek the ways and means first to stabilize their economies, for example, by bringing inflation under control, and then undertake the transformation of their economies to integrate them into the world's free marketplace.

Let us be clear about the choices we face. The choice is not between holding the line for the status quo or rushing headlong into the unprotected transfer of technology to Warsaw Pact nations. In fact, neither is a real option.

I am today proposing an amendment that firmly leaves the horse ahead of the cart. It asks the administration to identify—in a classified report—what confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of technology transfer safeguard regimes, including bilateral customs agreements, that would encourage greater private direct investment in Poland and Hungary.

In one important respect, time is not an issue, for the onus is on Poland and Hungary. In another respect, it is important that our administration take this initial step now—on its own behalf—so that we will have a policy with clear markers that will lead to mutually beneficial results.

I would hope that the report will contain confidence building measures beyond the concerns to which I have alluded. The report is classified because there is no need at this point to develop some kind of check list available for public scrutiny or lobbying.

Mr. President, the results my amendment seeks will not be easy to achieve. Indeed, I fully expect the Poles and Hungarians to move faster than our own interagency deliberations. I am quite familiar with interagency disagreements over technology transfer issues. This is why Senator GARN and I introduced S. 1796 to create an Office of Strategic Trade and Technology to put an end to this agency fratricide. In the interim, however, the administration is going to need an occasional jumpstart to develop a coherent, unified policy. This amendment is intended to provide that start.

Mr. HELMS. Mr. President, this amendment, as I understand it, has been cleared on both sides; certainly it has been cleared on this side.

Mr. SIMON. Mr. President, that is the case. There is no objection to it on this side.

The PRESIDING OFFICER. Is there further debate on the amendment. If not, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 1117) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HELMS. 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. RIEGLE. 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. 1118

(Purpose: To provide for international financial relief for Poland)

Mr. RIEGLE. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. RIEGLE] proposes an amendment numbered 1118.

Mr. RIEGLE. 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:

Paragraphs (2) and (3) of section 101 (a) of the amendment are amended by striking out "(2) and "(3)" and inserting in lieu thereof, respectively, "(3)" and "(4)".

Insert after section 101(a)(1) of the amendment the following new paragraph:

(2) the Secretary of the Treasury shall direct the United States Executive Director at the International Bank for Reconstruction and Development to—

(A) urge consideration of approval of up to \$1,000,000,000 in financing in each of the succeeding three years for disbursement over a feasible and appropriate period to

Poland; and

(B) urge expeditious approval and disbursement of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export and agricultural subsidies and wage indexation.

In section 101(a) of the amendment, after paragraph (3) as redesignated insert the fol-

lowing new paragraph:

(4) the United States Government shall seek to coordinate within the Group of 7 at the earliest possible date and not later than January 1, 1990 the establishment of a reserve of \$1,000,000,000, to be made available through the International Monetary Fund contingent upon and in addition to an agreement between the Government of Poland and the Fund, for the purpose of facilitating implementation of key monetary reforms, including the achievement of international convertibility of the Polish currency.

At the end of section 101(a) of the amendment, add the following new paragraph:

(5) the United States Government, in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owned to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

Mr. RIEGLE. Mr. President, early next year, in a single giant leap, Poland is planning to transform itself from a socialist economy to a market economy. At that time, the Solidarity government will also attempt to extinguish Poland's hyperinflation by eliminating food, coal, and export subsidies and terminating the indexation of wages. In the month or two following these radical changes, the danger of social unrest and political instability will be extreme, since real wages are certain to fall while inflation is being wrung out of the system. There is an ominous historical precedent for such actions; Polish leaders were deposed in 1956, 1970, and 1980 as a result of rioting that followed attempts to slash subsidies.

It is crucial for the West to have adequate financial aid in place before this critical moment. However, our allies, the World Bank and the administration appear not to be moving with the sense of urgency demanded by such a potential watershed in history. To its credit, the Bush administration has signaled its support for a \$200 million grant for currency stabilization

purposes. But our European counterparts and Japan have not yet provided their own contributions for this purpose, and the administration appears not to be pressing them hard enough to contribute before Solidarity's cold turkey reforms are implemented early next year.

Mr. President, the period from now until March is the most critical. Electricity prices doubled the other week. Poland's exchange rate is being devalued continually. Its foreign exchange reserves have dwindled to a mere two weeks worth of imports; three months is normal. This does not bode well for efforts to maintain public confidence during the reforms and greatly complicates the plan to make the zloty, the Polish currency, internationally convertible.

For this reason, the United States' \$200 million must be levered into a \$1 billion backup facility in order to build Poland's foreign exchange reserves to a level inspiring confidence in the zloty before early next year. Similarly, it is important for the World Bank to act at a pace that would make available by then its first, sizable structural

adjustment loan.

The House bill and the Simon substitute include only general provisions supporting the extension of international financial aid through the World Bank and IMF. They make no mention of the need for the World Bank and IMF to act before this moment. Nor do they provide guidance on the level of multilateral financial aid that would be appropriate. The only exception is the provisions of \$200 million for currency stabilization purposes.

The timing of international financial aid may prove to be as important as the aid itself. Western assistance must be in place before Poland's hour of greatest need in order to help foster public confidence in the reforms and in Solidarity's capacity to see them through. Indeed, the fate of Solidarity's historic experiment may ultimately hinge on the faith and patience of the Polish people.

For this reason, I am offering the following amendments to the Poland/Hungary aid legislation. They would:

First. Direct our representative to the World Bank to seek approval of up to \$1 billion in financing for Poland in each of the next 3 years and to press for early action on a structural adjustment loan—general policy loan—in time to support Poland's giant leap early next year;

Second. Direct the administration to take the initiative in the G-7 to coordinate by January a back-up facility of up to \$1 billion in the IMF to bolster confidence in Poland's currency as the Government tries to make it convertible; that is, to ask for contributions from Germany, Japan, et cetera, to leverage the \$200 million author-

ized in the Simon substitute amendment for this purpose; and

Third. Direct the administration to expedite the application of the Brady Plan to Poland; that is, to broker and facilitate, as it did for Mexico, negotiations between Poland and the international banks on Poland's bank debt.

Failure of Solidarity's package of radical economic reforms could easily end Poland's experiment in democracy, have a chilling effect on reform elsewhere in the Warsaw Pact, and be a crossroads for East-West relations. The United States must do what it feasibly can to help the Solidarity government through its courageous and historic program. These amendments are designed to help ensure that the U.S. Government fulfills this important responsibility. I urge their adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. SIMON addressed the Chair. The PRESIDING OFFICER. The

Senator from Illinois.

Mr. SIMON. I want to say it is not only acceptable, I think it is a very substantial amendment. Sometimes when we add these little amendments-and we have all been guilty of them-they really do not add much of substance. This is one that really is important, and it responds to very courageous action taken by the Polish Government in saying, "Let us get ahold of our system. To move from a totally, or virtually totally, government-owned operation to a market economy is something we do not have any experience in." So I think the amendment offered by the Senator from Michigan is a very, very fine amendment. I am pleased to support

Mr. HELMS addressed the Chair. The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I agree. The amendment is quite acceptable on this side.

The PRESIDING OFFICER. Is there further debate? The question is on agreeing to the amendment by the Senator from Michigan.

The amendment (No. 1118) was agreed to.

Mr. SIMON. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HELMS. 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. SIMON. 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. 1119

(Purpose: To make technical amendments)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1119.

Mr. SIMON. 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:

On page 3, line 2, of the amendment, strike out "(a)".

On page 3, line 17, of the amendment, insert "a" before "Board".

On page 10, line 15, of the amendment, strike out "States" and insert in lieu thereof "States".

On page 4, lines 5 and 6, of the amendment, strike out "overseas private investment corporation" and insert in lieu thereof "Overseas Private Investment Corporation".

On page 25 of the amendment, strike out lines 11 through 16 and insert in lieu thereof the following:

SEC. 206. AID ADMINISTRATION EXPENSES.

For the purpose of paying administrative expenses incurred in connection with carrying out its functions under this Act, the Agency for International Development may use up to \$500,000 each fiscal year of the funds made available to the Agency under this Act.

On page 36, line 23, of the amendment, strike out "title VIII" and insert in lieu thereof "section 802".

On page 41, line 14, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 41, line 16, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 42, line 19, of the amendment, strike out "outlines" and insert in lieu thereof "outlined".

On page 22, line 19, insert the following: "(11) the Sabre Foundation;" and renumber the existing items accordingly.

Mr. SIMON. Mr. President, these are purely technical amendments that I think have been cleared on both sides. I do not think there is any opposition.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 1119) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I see the distinguished Senator from Delaware. While he is getting set up, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

Mr. ROTH. 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. 1120

(Purpose: To establish an equity fund whereby individuals may invest in the Polish private sector)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. Roth] proposes an amendment numbered 1120.

Mr. ROTH. 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:

TITLE II

On page 13, Sec. 201—Insert subsection (1)(C) "The establishment of a financial instrument for individuals to invest an additional \$100 million in the Polish private sector."

On page 13 strike subsection (b)(1) and substitute (b)(1) \$240 million to support the Polish-American enterprise fund, as designated pursuant to subsection (d); no less than \$20 million of which shall be used for the purpose of paragraph (a)(1)(C) of this section.

Mr. ROTH. Mr. President, the amendment which I send to the desk will, in my opinion, prove beneficial both to the United States taxpayer and to the Polish private sector.

This amendment will place within the Simon-Mitchell bill the bond issue provision contained within the overall Republican substitute amendment, a proposal which I originally laid down in S. 1376, a bill to establish a Polish-American Equity Fund. A similar operation is currently underway in Hungary under the aegis of the International Finance Corporation.

The amendment also increases the amount of combined funding destined for the Polish-American Enterprise Fund from \$260 million to \$340 million. Under my amendment, the United States would provide \$240 million to the Polish-American Enterprise Fund, that is to say, a savings to the United States taxpayer of \$20 million over the Simon-Mitchell bill. However, \$20 million of that \$240 million will be set-aside for a bond issue which should realistically raise \$100 million, thereby providing the Polish-American Enterprise Fund with a total of \$340 million.

I believe that this approach has several major advantages. In particular, a bond issue would serve to involve individual investors in the resuscitation of the Polish private sector. It seems to

me ironic that we discuss so extensively the need to strengthen the private sector in Poland but then we fail to involve the United States private sector. It is my firm opinion that, if we want to boost the Polish private sector, we should look to the American private sector, to the Polish-American citizen who wishes to have a stake in the development of his own country. Thousands of Jewish-Americans already have demonstrated their desire to support the State of Israel through the purchase of similar bonds. I do not believe that Polish-Americans would prove any less eager to assist their homeland.

Second, Mr. President, I believe that the funds of the Polish-American Enterprise Fund are more likely to be directed toward true, viable private sector initiatives if those funds are distributed under the watchful eyes of United States investors. I am aware that the Enterprise Fund will be under the control of a board of directors composed of private citizens. However, I would still have to say that no better oversight is exercised than that by the individual or the body who supplies the money. Frankly, government does not have a good record of monitoring disbursement such as these. The private citizen does.

Before I end this presentation, let me deal with two objections I have already heard in private. First, some have asserted that this proposal will prevent large amounts of money from getting into Poland quickly. Well Mr. President, I simply do not accept that the primary purpose of this bill is to get money into Poland quickly. If it were, we could simply fly it over and drop it out of airplanes.

This bill must not only get money into Poland, it must also direct it carefully for maximum beneficial impact on the private sector, the engine of economic growth. If it takes some time to insure that this money gets to the proper target, then that will be unavoidable. It makes much more sense to take our time and do the job properly than to act quickly, waste U.S. taxpayer dollars and then pretend we have done the job—either for the Polish or the American people.

Second, I have heard it said that no one will buy these bonds, that the Polish private sector will not be attractive to foreign investment. Well, if we believe that, what are we doing here today?

Frankly, if we believe that there is no hope for the Polish private sector, we believe there is no hope for the Polish economy and we may as well strike out all funding for the Polish-American Enterprise Fund and simply send food and medical supplies.

Personally, I do believe that there is hope for the Polish private sector and I ask my colleagues to support the amendment.

Mr. President, I yield the floor.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. 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. ROTH. Mr. President, I send substitute language for my amendment to the desk.

The PRESIDING OFFICER. Is the Senator modifying his amendment?

Mr. ROTH. That is correct.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The amendment (No. 1120), as modified, reads as follows:

On page 13, strike lines 15 through 17 and insert: "\$260,000,000 to support the Polish-American Enterprise, as designated pursuant to subsection (d), of which \$20,000,000 may be used to establish a financial instrument for individuals to invest an additional \$100,000,000 or more on the Polish private sector.

Mr. ROTH. Mr. President, I do not believe any further discussion is necessary. I think that the revised language incorporates what I have already said. believe that this is acceptable to both sides.

OFFICER. Is The PRESIDING there further debate?

Mr. SIMON. Mr. President, I have worked with Senator Roth and his staff. I think we have made some slight changes that make this an acceptable amendment and a contribution to the concept of the bill. I commend my colleague from Delaware and I am ready to accept the amendment.

Mr. HELMS. We accept the amendment on this side.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1120, as modified, of the Senator from Delaware [Mr. ROTH].

The amendment (No. 1120), as modified, was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1121

(Purpose: To express the sense of the Senate regarding increasing the quota of

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 1121.

Mr. ROTH Mr. President I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

At an appropriate place in the bill, add the following new section:

Sense of the Senate regarding IMF quota increase. Given:

that the administration has announced that it is considering committing to increase the resources of the International Monetary Fund and expects to decide on the increase over the next few weeks:

that such an increase could total \$7 billion or more, at a time when there may be higher budget priorities, such as assisting dramatic changes taking place in Poland, Hungary and eastern Europe as a whole, or reducing our deficit; and

that the IMF provides short-term resources at a time when most countries, including the United States, want to increase their long-term investment orientation.

It is the sense of the Senate that the administration shoud not take any action at this time that would imply a commitment to increase or to propose an increase in the resources of the IMF.

Mr. ROTH. Mr. President, this is a sense of the Senate amendment urging the administration not to commit to an IMF quota increase. At the recent annual meetings of the World Bank and the IMF, the administration committed to make a decision on a quota increase for the IMF by the end of the year. This is the final opportunity that this body may have to express its view on this important question prior to adjournment.

Here in Washington we tend to forget the pervasive role played by the International Monetary Fund in the developing countries of the world. We realize that it has immense resources and that its policy advice holds great sway with finance ministeries around the world. But this does not completely capture the pervasiveness of the IMF in developing countries and, now, in Eastern Europe.

Since 1953, the IMF has entered into 708 arrangements amounting to over 92 billion standard drawing rights [SDRS] which at present are worth somewhat more than a dollar. Most of these arrangements were with developing countries, and they have an immense impact on approaches to economic development. Commitments in the last 6 months alone exceeded \$10 billion.

This body and the House of Representatives are responsible for authorizing U.S. participation in the IMF, and appropriating the funding for it. Quota increases for the IMF have occurred regularly since its inception-in 1959, 1965, 1970, 1978, 1980, and 1983. The 1983 increase alone involved a

U.S. commitment in excess of \$8 billion. With this background, it would make sense for the administration to work closely with Congress before it considers making another such commitment.

My amendment is straightforward. It states the sense of the Senate that the administration should not commit to another quota increase at this time. The point made by the amendment is that such a commitment, which could total in excess of \$7 billion, has to be considered in the context of our present budget constraints.

There are dramatic changes taking place in Eastern Europe today. I do not believe that this is the time to make commitments of our limited resources that may restrict possible future U.S. involvement in assisting these revolutionary economic and po-

litical developments.

It may be that we will want to utilize the IMF in meeting this challenge, but it is also possible that we may want to approach the problem bilaterally or in cooperation with other NATO countries, or by some other means. In any event, in view of our budget constraints, the time is not now to make a commitment to increase the IMF's quota.

Numerous questions have been raised about the role of the IMF in developing countries. Are its resources benefitting their economies? What is the financial risk to the U.S. taxpayer? What is the environmental impact of IMF programs? What portion of IMF funds are finding their way to commercial banks? What will be the IMF's role in Eastern Europe? How will the IMF respond to the Soviet Union's desire to become a member? How are the IMF's short-term, high interest rate resources helpful to developing countries, whose economies need to build for the long run?

Mr. President, I ask the Senate to favorably consider this sense-of-the-Senate amendment.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, I recognize probably the Senate would overwhelmingly adopt this. I do not agree with the IMF and everything they do. I do believe, however, for us to say as a sense of the Senate that we want to bind the administration, that they cannot even propose any increase in the IMF-for example, Poland is negotiating with the IMF right now.

What if the administration were to come back, as a result of IMF negotiations, and ask for a minor additional amount? I think we ought to leave the President and the Secretary of State and the Secretary of the Treasury free to propose things. We may reject them absolutely. But to have even a sense of the Senate resolution suggesting you

cannot even propose anything, I think is unwise.

I agree with 90 percent of what my colleague from Delaware has to say. These are times of fiscal restraint. We have to be careful. But I also think it is a mistake for us to suggest the administration cannot even consider changes that may be in the best interests of freedom, for example, in Poland, in Hungary, in East Germany.

I am personally going to vote against the amendment. I am not going to ask for a rollcall on it. I think it is not wise for us to accept this amendment.

The PRESIDING OFFICER. Is

there further debate?

The Chair recognizes the Senator from North Carolina [Mr. HELMS].

Mr. HELMS. My friend from Illinois and I sometimes disagree, but we disagree agreeably, by agreement. I understand what he is saying.

On the other hand, the Senator from Delaware has made an accurate assessment of the situation in the past, and he is thinking prospectively. He is doing so wisely because he has great concern about the deficit situation.

On this side of the aisle, speaking for myself, I certainly support the sense-of-the-Senate amendment.

The PRESIDING OFFICER. there further debate?

The Chair recognizes the Senator from Delaware [Mr. Roth].

Mr. ROTH. Mr. President, I appreciate the remarks of the distinguished Senator from North Carolina.

In answer to my good friend from Illinois, I think at this particular time it would be unwise to make this kind of commitment. It is not only because I have some serious questions about the amount because of the budget deficit, but the fact is, we see great change taking place in Eastern Europe. We do have limited resources and how we want to address this problem—as I said it could be through the IMF, it could be by some other financial organization, it is even possible we might create something new.

But, in any event, it seems to me unwise to move at this very moment when changes are taking place so rapidly. It is for that reason I am urging through the sense-of-the-Senate resolution the administration take no action in the way of a commitment.

SIMON. Will my colleague

vield? Mr. ROTH. I will be happy to yield

to my distinguished colleague.

Mr. SIMON. I appreciate what the Senator from Delaware is saying and he is absolutely correct when he says things are changing so rapidly we do not know what is going to happen tomorrow. Things happened last week we did not think possible even a year ago. But because of the very fact that things are changing so rapidly, I do not know that it is wise for us to say to the administration, you cannot even propose any changes in the IMF. They may come in and say, in view of the situation in Eastern Europe, we ought to do A, B and C.

We may want to reject that. But to have a sense-of-the-Senate resolution rejecting even the possibility of considering that, I think is not wise.

Again, I am not going to ask for a rollcall. I recognize the votes probably would be against it. My own voice will be against the distinguished Senator from Delaware even though ordinarily I would vote with him.

The PRESIDING OFFICER. Is

there further debate?

The question is on agreeing to amendment 1121 of the Senator from Delaware

Mr. ROTH. Mr. President, I ask for the yeas and navs on this amendment. The PRESIDING OFFICER. Is

there a sufficient second?

There is not a sufficient second.

Mr. HELMS. 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. HELMS. Mr. President, I ask unanimous consent that the order for

the quorum call be rescinded. The PRESIDING OFFICER. With-

out 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. Mr. President, under the unanimous consent, or at least the gentleman's agreement, this amendment will be laid aside so that other amendments may be presented.

I believe the Senator from Texas has

The PRESIDING OFFICER. The Chair will interpret that as a request to lay the amendment aside?

Mr. HELMS. Yes, sir.

The PRESIDING OFFICER. Without objection, the amendment is laid

The Chair recognizes the Senator from Texas [Mr. Bentsen].

AMENDMENT NO. 1122

(Purpose: Relating to certain Polish bond) Mr. BENTSEN. Mr. President, I send an amendment to the desk and

ask for its immediate consideration. The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Texas [Mr. Bentsen] proposes an amendment numbered 1122.

Mr. BENTSEN. 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:

At the end of title VII, insert:

SEC. . CERTAIN POLISH BONDS NOT SUBJECT TO RULES RELATING TO BELOW-MARKET LOANS.

(a) In General.—Paragraph (5) of section 1812(b) of the Tax Reform Act of 1986 is amended-

(1) by inserting "or Poland" after "Israel" in the text thereof, and

(2) by inserting "or Polish" after "Israel" in the heading thereof.

(b) Effective Date.—The amendments made by this section shall apply to obligations issued after the date of the enactment. of this Act.

Mr. BENTSEN. Mr. President, one of the most difficult things Poland will have to do is to try to refurbish its industry. They have an auto industry with antiquated machinery. They will have to borrow money to do it. But, Poland is saddled with \$40 billion in debt. It is going to have difficulty servicing that debt.

We have a lot at stake with what happens in Poland. We are seeing a non-Marxist takeover of that government without firing a shot, an incredible occurrence in Eastern Europe. To have that happen in Poland, a country of that size with an educated population, it is most encouraging what aid can mean to a revival of democracy there.

One of the things we have to do, it seems to me, is to also try to assist them in the private sector; to help them on their financing. There are many Americans who would like to do that.

One of the things I would like to do, and what this amendment accomplishes is to provide an exemption for government bonds that pay interest rates below the market rate. We saw that situation with Israel when we provided for such an exemption from the rules on below-market loans.

My amendment provides that there would not be a penalty for belowmarket rate bonds purchased by Americans from Poland to help in the revitalization of that great country, to see that their industries are once more productive, to help Poland take care of its balance of trade and begin to service its debts.

Mr. President, we have witnessed revolutionary changes in Poland this year. These changes are all the more dramatic in that they have been accomplished peacefully, without violence. Poland is now being led by a coalition government, with non-Communist leaders. However, the Solidarity leaders, and the Polish people, are confronting monumental problems, including serious food shortages, failing industries that rely on primitive technologies, and high inflation.

The United States has a large stake in the success of the new Polish Government; we want to do everything possible to promote and facilitate the process of democratic change in Eastern Europe. One of the greatest

threats to the survival of the Polish Government is its foreign debt; Poland owes some \$40 billion to its international creditors, which the Polish Government has conceded cannot be met.

My amendment will help ease the debt crunch in Poland by facilitating foreign lending to that country. It builds on the foundation provided in this bill of encouraging private assistance to the Polish Government and the Polish people. That is a central tenet of the Poland aid bill.

What my amendment does is to facilitate the purchase of bonds issued by the Polish Government by individual Polish Americans and other concerned American citizens at reduced interest rates, who want to play a direct role in helping that country. It would exempt Polish Government bonds from the tax rules on loans made at below-market interest rates.

These rules were never intended to discourage individual Americans from purchasing debt obligations of other countries. That is why we provided a similar exception for debt obligations of the Israeli Government in 1986.

Without this change, Americans would simply not lend money to the Polish Government at preferential interest rates, because they would be subjected to punitive financial consequences and complicated rules. Under current rules, the interest discount on below-market loans is treated as income to the lender. This amendment will send a direct signal to the Government of Poland that we support what they are doing and that individual Americans want to help them succeed.

I have discussed this with the managers of the legislation that is before us. It is my understanding that they have no objection to the amendment. I urge its adoption.

Mr. SIMON. Mr. President, not only do I have no objection, but it is an excellent amendment. I ask unanimous consent that I be listed as a cosponsor.

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

Mr. SIMON. I commend the Senator.

Mr. HELMS. Mr. President, the amendment is certainly acceptable on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1122) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was

agreed to.
The PRESIDING OFFICER. Does

any Senator seek recognition?

Mr. HELMS. 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. SIMON. 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. 1123

Mr. SIMON. Mr. President, earlier in the Dole-Simon amendment, we inadvertently caused the deletion of a key environmental reporting requirement. I, therefore, send to the desk an amendment which restores that reporting requirement on behalf of myself and the minority leader.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Illinois [Mr. Simon], for himself and Mr. Dole, proposes an amendment numbered 1123.

Mr. SIMON. 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:

At the end of section 502, add the following subsection:

(e) CONTENTS OF REPORT.—The report required by title VIII shall include the following:

(1) ASSESSMENT OF PROBLEMS.—An overall assessment of the environmental problems facing Poland and Hungary, including—

(A) a relative ranking of the severity of the problems and their effects on both human health and the general environment;

(B) a listing of the geographical areas of each country that have suffered the heaviest environmental damage, and a description of the source and scope of the damage; and

(C) an assessment of the environmental performance of leading industrial polluters in those countries and the expected effect on pollution levels of industrial modernization:

(2) PRIORITIES AND COSTS FOR ACTION.—An analysis of the priorities each country should assign in addressing its environmental problems, and an estimate of the capital and human resources required to undertake a comprehensive program of environmental protection:

(3) ROLE OF UNITED STATES AND MULTILATERAL ASSISTANCE.—A statement of strategy for United States assistance for the next five years in Poland and Hungary, including—

 (A) recommendations for appropriate levels and forms of bilateral and technical assistance;

(B) recommendations concerning United States participation in cooperative multilateral undertakings:

(C) an assessment of the feasibility of debt-for-nature swaps as a technique of environmental protection in each country; and

(D) recommendations for minimizing further environmental damage to Krakow, and for the protection and restoration of historic sites in that city.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1123) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, for the past 6 years the Department of Agriculture has administered a program designed to assist middle-income nations in the development of their agricultural economies. It provides training for senior and mid-level specialists and administrators concerned with agricultural trade, management, and marketing from both the public and private sectors. Among the technical areas covered have been domestic marketing of agricultural products, agricultural input supply and management, agricultural economics, and management of agricultural research. Not only have these efforts assisted the nations involved, but they also have provided opportunities for expanding U.S. trade.

It occurs to me that this program would be ideal for accomplishing the objectives of the legislation we are now considering for Poland and Hungary. Training through the Middle Income Countries [MIC] Program would greatly assist their agricultural industries and foster trade relationships. With the important role played by agriculture in the improvement of the economies of these two nations, this program would provide much support as these countries strive to move toward democracy and the development of market economies. I urge that a small portion of the assistance provided in this legislation-perhaps up to \$300,000-be directed to the Department of Agriculture for implementation of training opportunities through the MIC Program.

Mr. DOLE. Mr. President, I am familiar with the MIC Program and have heard many of its success stories since its initiation in 1984. I believe that the training provided by this program has led to the development of traditional trade and business relationships with many countries, such as Turkey, Mexico, Yugoslavia, Korea, and Malaysia. I would certainly have no objection to the utilization of a portion of the aid provided in this legislation for such activities in Poland and Hungary. In fact, I join Senator Coch-RAN in supporting the allocation of up to \$300,000 to implement MIC activities in these nations.

Mr. COCHRAN. Mr. President, I thank the Republican leader for his comments and his support for this program.

THE SABRE FOUNDATION AND AID TO POLAND AND HUNGARY

Mr. KERRY. Mr. President, I want to express my appreciation to the distinguished managers of S. 1582 for agreeing to designate the Sabre Foundation as one of the private educational foundations through which educational and cultural exchange assistance to Poland and Hungary should be channeled.

The Sabre Foundation which is headquartered in Somerville, MA, was founded in 1969. For the past 4 years it has been the largest donor of educational materials to Poland and Hungary. The foundation's scientific assistance project has taken advantage of the increasing openness of Eastern European societies to provide substantial educational and technical assistance in the region. Working at the field level through the growing independent sector, the Sabre Foundation has responded to known individual needs and differing local development priorities. In so doing, it has assisted in improving entrepreneurial skills and professional expertise, and in strengthening the resources and operations of nongovernmental institutions.

More broadly, Sabre's programs are highly consistent with the goals of fostering pluralism and private sector growth. Sabre has been cited in the State Department's action program for Eastern Europe, and is mentioned by name in the Commerce Department's protocol on private sector de-

velopment in Poland.

The project's main program at present sends large quantities of new. unremaindered textbooks and other educational materials to needy individuals in Poland, Hungary, and Czechoslovakia. The books are standard texts in such fields as economics and accounting, law, agriculture, medicine, natural sciences, engineering and computer science, and the humanities.

As a result of its own growth and the accelerating pace of political reform in Eastern Europe, Sabre is increasingly able to identify local needs with precision. To meet these needs, the scientific assistance project is currently undergoing a rapid expansion into new countries, in-kind materials, and program types. Its target is to increase the level of assistance provided to \$20 to \$30 million in 1990. Sabre recently chartered new 501(c)(3) equivalent foundations in Warsaw and Budapest, and has established local field offices in both cities to coordinate further expansion.

Sabre is currently diversifying its inkind donations into agricultural materials such as veterinary pharmaceuticals, feed additives, fertilizers, crop protection chemicals, and harvest handling and packaging equipment. These will be supplied to private farmers in Poland, where some 80 percent of the land is in private hands, in an effort to

provide for long-term, sustainable agricultural production in that land.

Sabre is now working with a group of four United States universities to send graduate English language teachers and teacher-trainers to Hungary

These are but a few examples of the impressive work that the Sabre Foundation is doing in Eastern Europework that is critical in assisting Poland and Hungary to successfully implement the political, economic, and social reforms to which the governments of those countries have committed themselves.

In conclusion, Mr. President, again I want to express my appreciation to the managers for ensuring that the Sabre Foundation is designated in this legislation in this matter.

Mr. HELMS. 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. HELMS. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. With-

out objection, it is so ordered.

Mr. HELMS. Mr. President, we are in a situation where Senator Dan-FORTH is here, and there is some question about another amendment. I apologize to the Chair for calling off the quorum. Now I put it back in.

The PRESIDING OFFICER. The suggestion of the absence of a quorum having again been made, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. 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 Chair recognizes the Senator from Missouri [Mr. Danforth].

Mr. DANFORTH. Mr. President, it has been my intention to offer an amendment today because my understanding was that the program set out by the majority leader was that all amendments to the aid bill for Poland and Hungary were to be offered today, and that they would not be in order tomorrow.

But I have just spoken with the Senator from North Carolina, and it is my understanding it will be possible to offer at least a limited number of amendments that we could not get to today.

I have an amendment which I hope to offer tomorrow, provided it is in order. I do not want to keep the Senate around tonight. I know that Senators have other plans and that they want to be leaving.

But I do have an amendment that I would like to offer tomorrow, and it has to do with the extension of what otherwise would be expiring tax credits, credits that are now in the Internal Revenue Code that are scheduled to sunset-some of them have already sunsetted-and unless the Senate acts before we adjourn this year, I think some real havoc will be caused in a number of very important tax pro-

There are about 10 of them in number. They have very broad popularity in the Senate. They include the low-income housing tax credit, and the legislation to make that permanent, which Senator MITCHELL introduced, which has 71 cosponsors; the mortgage revenue bond provision which has 85 cosponsors; the research and development tax credit, making that permanent, which has 51 cosponsors; the targeted jobs tax credit extension has 36 cosponsors; and the employer-provided educational assistance credit has 32 cosponsors, and so on.

So these are popular provisions. They have already been agreed to by the House of Representatives. A 1-year extension has been agreed to in the House reconciliation bill. The legislation which the Senate Finance Committee marked up, which was then stripped when it came to the floor of the Senate, also provided for the extension of these measures. As I recall, there was no opposition in the Senate Finance Committee.

So, Mr. President, these are important provisions, and they are popular provisions. They have been generally agreed to. The problem is that, if we allow them to expire, real damage can be caused.

For example, the low-income housing tax credit is about the only program we have going now for lowincome housing. If we decide it is just going to go away for however long it takes until we can reenact it, there can be some real damage to low-income housing.

Similarly, the research and development tax credit—if business is going to make plans to invest in research and development, it has to have some idea of what the tax law is going to be. We cannot be in the position of letting tax credit lapse, and then trying to put them back into effect again.

Mr. President, I have absolutely no desire to gum up the works with respect to the legislation that is now on the floor of the Senate. I understand that it is very important for us to act, and to act promptly with respect to Poland and Hungary. I am not picky in choosing a legislative vehicle. Nobody could be easier to please than I am. But I need a legislative vehicle which will not be blue-slipped by the House of Representatives, and there are not many of them left. This is one of two. The other is reconciliation, and we do not know yet whether we are going to have a reconciliation bill. We do not know whether or not the President would sign or veto a reconciliation bill that we were to send to him.

So it is my intention, provided we can work this out in an agreement, to offer tomorrow an amendment providing for the temporary extension of expiring tax provisions, which amendment would be cosponsored by Senators Chafee, Heinz, Bond, McCain, D'AMATO, COHEN, BOREN, DUREN-BERGER, and probably some others.

If the Senator from North Carolina would respond, I would very much ap-

preciate it.

Mr. HELMS. If the Senator will yield, Mr. President, as the Chair knows, the distinguished majority leader, in concert with the Republican leader, is shortly going to propound a unanimous-consent request in that regard. I assure the Senator that his amendment will be listed as one to be considered tomorrow. We have one or two others, one of which has already been discussed, and the yeas and nays have been obtained on it. But I assure the Senator his amendment will be included in the list.

Mr. DANFORTH. I thank the Sena-

tor from North Carolina.

Mr. SIMON, Mr. President, I simply wanted to say I was one of three to vote against that bill called the Tax Reform and Simplification Act passed in 1986 which contained about as much reform as it did simplification. One of my reasons for voting against it is it reduced the amount that an American corporation can deduct for research. We simply cannot build a more competitive America that way.

So I am in sympathy with what the Senator from Missouri is trying to do. But I hope we can get something worked out so it does not go on this bill so that, to use the Senator's eloquent phrase, it would not "gum up" the works. I am hoping we can get

something else worked out.

Mr. DANFORTH. I might say that one of the effects of the 1986 tax legislation was that it made it very unattractive for the private sector to invest in low-income housing. However, an effort was made to try to offset those effects by creating a low-income housing tax credit. If we do not act on it before we adjourn, the effect of that is going to be that there will be no lowincome housing tax credit. That is essentially going to be the end of the low-income housing program in the United States. I do not think we can allow this to happen.

If this can be done on reconciliation, fine. I do not care what it is done on. But I want it done. That is why I intend tomorrow to offer this amendment to this legislation so that at least we will have some vehicle for its con-

sideration.

Mr. Mitchell addressed the Chair. The PRESIDING OFFICER. The

majority leader.

Mr. MITCHELL. Mr. President, I just came in near the closing words of the statement by the Senator from Missouri. I want to say in response that I very strongly favor extending the low-income housing credit. I have had the pleasure of working with the Senator from Missouri during this year in developing legislation to extend and improve that credit. I am making every effort to have that included in the reconciliation bill.

I have met in the past several days with the Director of the Office of Management and Budget, the Secretary of the Treasury, the distinguished Republican leader here in the Senate, and the House leadership. At every one of those meetings I have expressed my deep concern about the expiration of that provision, and my hope and intention that it be included in reconciliation.

I am going to continue to pursue that just as vigorously as I can, for all of the reasons that the Senator from Missouri has stated as to the importance of the provision. At the same time I hope this much needed and long delayed legislation to provide assistance to Poland and Hungary will not be further delayed, and that the Senator from Missouri will join me and others in exerting efforts to have his amendment included in reconciliation, which is a more appropriate vehicle, and I think more likely to produce the kind of result that we want.

With respect to this legislation, it had been my understanding, expressed on the Senate floor before we concluded last Thursday evening, that we would complete action on all pending amendments today, and that tomorrow we would simply vote on this measure. I inquire of the managers whether or not that is or is not their

intention in this regard.

Mr. SIMON. My hope is we come very close to that. We do have one amendment, offered by Senator ROTH, of Delaware, where we had the debate, and we have agreed to postpone the vote on that until tomorrow. So we will have a vote on at least one amendment tomorrow.

MITCHELL. Mr. Unfortunately, with the Senate coming close on the number of amendments and leaving it open, it means the possibility exists of a large number of other amendments tomorrow. I would really like to carry through on what we had as our stated intention, and I thought we had an understanding that we would finish this bill tonight for all intents and purposes except for votes so we could be complete on it tomorrow, and then move on to other legislation.

Mr. SIMON. I join the majority leader in that hope. I hope before this evening is over, and as soon as possible, we can get a unanimous-consent agreement to proceed in that manner.

Mr. MITCHELL. I did not mean to foreclose the Senator from Missouri.

Mr. DANFORTH. I am prepared to offer the amendment either tonight or tomorrow. My understanding was that the purpose of the managers was that the amendment be carried over until tomorrow. And thinking about it, I think that would make sense for the following reason: I do not care how this is done, the extension of the expiring provisions. I understand the views of those who do not want it on the aid to Poland and Hungary bill. But it really has to be done.

The only remaining vehicles, as I understand it, which would be in order in the House of Representatives, would be the bill that is before us now and reconciliation. I wonder if there is some way between now and tomorrow morning for the majority leader or the Republican leader to ascertain from the administration which bill they would rather have this on. If they would rather have it on reconciliation. that is fine with me. My only point is that it really is not responsible for us to delay this until next year and let this expire and then hope to put it together next year.

I might say that I have spoken with the ranking Republican on the Finance Committee, Senator Packwood, who has given a lot of thought to the capital gains issue, and his view is that he has no objection at all to dealing with these expiring provisions this year. So that is what I would like to accomplish. I am willing to do it any way that the majority leader and the Republican leader and the administration would like.

Mr. MITCHELL. I certainly am not and do not wish to be the spokesman for the administration, but I can tell you what I have been told by the administration's representatives, as recently as last Friday-the Secretary of the Treasury and the Director of the Office of Management and Budgetthat they are opposed to extending this tax revision. So I think from their standpoint, they are against it, and, therefore, would not support it on either measure, as I understand it.

Mr. DANFORTH. I do not think they are going to veto the measure because the expiring provisions are included on it. I very much doubt that. The question is not whether they would like it done or would not like it done, but on which of the two bills before us would they rather have it.

Mr. MITCHELL. Perhaps the Republican leader can address that.

Mr. DOLE. If the Senator will yield. I think we need to be careful. We all made great speeches about how we were going to strip this bill, and we did. Now we are adding \$1.7 billion in costs, if you put back all the extenders for 1 year. Some of those are not timesensitive at all. The low-income housing credit is, as is the targeted-jobs credit. Most of the others do not have to be done. If you do them early next year, there is no impact. There are a number of other time-sensitive provisions dealing with rural hospitals. I have a list here of probably a dozen or more time-sensitive things, just as sensitive as the matter being discussed by the Senator from Missouri.

Certainly, there is no need to have the extenders for a year. Six months, I think, some of us could live with. But it is going to be difficult for those of us who voted to strip the reconciliation bill to say we really did not mean it, we want to go back and add on certain things that the Senator from Missouri wants and things the Senator from Kansas wants, and pretty soon we have the whole package again. I do not know where we stop and where we start.

That is the view I have expressed to the majority leader. It is not that we are opposed to the extenders. Why not add everything else that is time-sensitive? I have a whole list of things that affect people—rural hospitals, a lot of rural hospitals in every State. We took care of that. And the cost of all these time-sensitive matters is much less expensive than the \$1.7 billion it will take to extend all those provisions for a year.

Plus, it seems to me, as an institution, if we want to enact many of the other provisions that we put together at about 2 o'clock in the morning, and we may not have an opportunity. You do not get many opportunities from the House Ways and Means Committee. That is another reason I am suggesting a 6-month extension at the outside. It would not have the cost, but it would reduce the cost, plus it would give us more opportunities next year to put on a number of the other provisions that we worked on in the Senate Finance Committee. But there are some very time-sensitive areas. I know the Senator from Missouri supports some; some he authorized, which we would like to include. If we do that on this bill, or particularly on reconciliation, then we are going back on what we said we would do the night we all claimed victory and said, "What a great group of statesmen we are. We took everything off." Now we are going to start selectively putting items back on. Maybe it is not important, but it is inconsistent.

Mr. DANFORTH. First of all, with respect to paying for the provision, the amendment that I would offer would pay for it. It would pay for it in a way that has already been agreed to by the Senate Finance Committee.

Second, with respect to a 6-month or 1-year extension, my own preference would be to make these provisions permanent. The idea of keeping them on very short timeframes does not give potential businesses or investors op-

portunities to plan. But a 6-month extension is certainly better than nothing.

I think we are going to have some tax legislation next year. I do not have any real doubt about it. I would be perfectly prepared to accept 6 months. The House Ways and Means Committee has already agreed to a 1-year extension, and I believe that the Senate Finance Committee, tomorrow morning, is going to agree to a 1-year extension, also.

Again, the amendment I offer is 6 months. It does not make that much difference, as far as I am concerned. I think, really, the question is what can we work out with the administration, and what does the administration want it on. I understand they would rather have us do nothing. But it is clear that when there are 85 cosponsors for one of these provisions-85 Senators have cosponsored the mortgage revenue bond provision; 71 Senators have cosponsored the low-income housing credit-it is clear to me that there are the votes to not only pass this, but if the President were to veto it, to override the veto.

I really hope that the Republican leader, in his communications with the administration, would find out where they would rather have it done. I do not care where it is done. If they want it done on reconciliation, fine. If they want it done on the aid to Poland bill, that is fine. I do not, as I said to both the majority leader and the Republican leader late last week, want to jeopardize the aid to Poland bill. I cannot conceive that this would jeopardize the aid to Poland bill. I am willing to offer it to anything anybody wants to offer it to.

Mr. DOLE. I would be happy to make that inquiry.

I think the President did indicate, somewhere in Texas on Saturday, support for the low-income housing credit. I do not think it is a question of being for or against the extension of any of the provisions as part of the housing package announced over the weekend. I will make inquiry of the White House and see if we can make a determination.

Again, it seems to me that from the standpoint of strategy of the institution, if we are going to act on many of the other provisions, I think a couple hundred provisions were stripped out. and we are not going to have an opportunity until a year from now, if there is a 1-year extension. It seems to me we are better off, from that standpoint, to have a less extension, which the Senator from Missouri said he would not object to. But if the extenders are offered on this bill, I think there would be some who would feel compelled to offer other time-sensitive matters on this bill, and this could become a big, big tax vehicle.

It has occurred to one member already to put everything we stripped off in the tax area on the Polish aid bill. I do not know what would happen. We had very good provisions from Senators on both sides of the aisle, which were added to the Senate reconciliation bill. I will be happy to make inquiry immediately and advise the Senator from Missouri.

Mr. DANFORTH. I just add, Mr. President, that I am really not a one-man band. This is not just 1 of 100 Senators showing up on the floor of the Senate peddling his own favorite ideas. I am not doing that at all. These are provisions that have been agreed to by the House, once formally, once informally, and by the Senate Finance Committee unanimously, as I recall.

They have tremendous numbers of cosponsors, and it is essential that we do them. I am not trying to be the Horatio at the bridge in hopefully the last week of this session of Congress, but rather to inquire how the administration would like this job done.

The PRESIDING OFFICER. Who seeks recognition. The majority leader. Mr. MITCHELL. Mr. President, I will simply conclude by thanking the Senator from Missouri for his interest and concern.

As I said earlier it has been my pleasure to work with him on this matter throughout this year, and I hope very much that we are going to be able to work it out in a way that produces what I think is our common objective: Extension of the tax revision provision, enactment of the aid to Poland and Hungary bill, and approval of a deficit reducing reconciliation bill. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to first give my enthusiastic endorsement to the support for East European Democracy Act of 1989. Anticipating expeditious and overwhelming Senate approval, I hope the Congress and the President will quickly resolve the differences over levels of funding so that we can begin to put our money where our mouth is in supporting the political and economic reforms underway in Poland and Hungary.

Second, I wish to speak briefly about a specific project which I believe is a very worthy candidate for funding through this aid package.

Mr. President, I visited Poland and Czechoslovakia in the spring of last year, but clearly Eastern Europe is a vastly different place now than it was a short 18 months ago. Developments, particularly as you have seen unfolding on TV over the last few days in East Germany, and changes in Poland and Hungary have taken an unprecedented and dramatic turn. In Poland, Solidarity humiliated the Communist Party in parliamentary elections with

the result that Poland is now governed by a Solidarity-led government, and we have Lech Walesa coming here visiting in Washington the same time.

Hungary has changed its name and its constitution; it has declared itself a democracy, removed any reference to the leading role of the Communist Party, and committed itself to holding multiparty elections early next year. Even the Hungarian Communist Party has changed its name and its program to more closely identify with Western European social democratic parties.

Both Poland and Hungary are committed to pursuing economic reform programs which aim to replace state control with market oriented economic structures. Obviously, such an unprecedented transformation will not be easy. Despite the heady events of the past months, the Solidarity-led government of Poland faces immense challenges in reforming and modernizing its ecomony. I believe that the Polish and Hungarian people deserve our support in this historic undertaking. United States aid should focus on private enterprise development in the economic sector and democratic institution development in the political sector. In addition, immediate food and aid will be required to help the people of Poland weather the inevitable hardships associated with their economic transformation.

This aid package is not an act of selfless generosity. I think it can be argued that it is an investment in our national security as important as any weapon system we can vote on on this floor. For over 40 years the United States, through the NATO Alliance, has been committed to the maintenance of peace, stability, and freedom in Europe. What could contribute more effectively to the realization of that security objective than the establishment of free and democratic soci-

eties in Eastern Europe?

There will be those who will argue that this aid is premature, but I do not think we can afford to wait. History will judge us harshly if we fail to take advantage of this historic opportunity to help the courageous and determined people of Poland and Hungary achieve their political freedom and economic independence. It will not be easy, and it will not be achieved overnight. But we can take that critical first step today by putting some real substance behind the words of praise we have heaped upon the Polish and Hungarian reformers. We can and should reassert a U.S. leadership role in marshaling Western support for the extraordinary process of change underway in Eastern Europe.

Having said that, I wish for a few minutes to discuss a project which I believe has very great merit and should be considered for possible funding in the context of this aid package.

Mr. President, I would say this package is almost free and yet can be very. very valuable. That makes it an offer

we can hardly refuse.

Last week I met with representatives of the National Association of State Auditors, Comptrollers and Treasurers [NASACT] whose current president is Mary Ellen Withrow, State Treasurer of Ohio. NASACT is comprised of statewide office holders who serve as a State's auditor, comptroller, or treasurer

The group came to my office, and we met and discussed a project that NASACT is proposing to put into place along with the Polish aid, Hungarian aid, whatever aid we have over there, and it is a program that I think we should support.

Let me say first what NASACT is. First, it is comprised of Statewide office holders who serve as State's auditor, comptroller, or treasurer.

It exists to represent the States' views on a variety of financial management topics. It exists to bring together State fiscal and financial officers: to encourage the free interchange of information and ideas among State, as well as Federal and local, fiscal and financial officials; to provide for the improvement of education and training available to such State officials; and to provide a national forum for the promulgation and dissemination of State positions concerning financial management of government.

Mr. President, when you get up here and stand up here and talk about financial management and how we go about it, it may be about as exciting as watching mud dry or something similar, but these are the U.S. experts on how we can get the best bang for a buck in aid and programs not only in your own country but abroad. That is the reason that I was rather excited about this when they were in my office the other day. Financial management is considered a very dry subject. Nobody gets excited about it. Yet we all asked in the past GAO and other Government agencies to just try to track down what happens to aid money that we send overseas, did it get expended for what it was supposed to be expended for or did it not?

I had a similar situation back several years ago when we tried to trace some of the aid going down to the Contras in Nicaragua, and I remember we tracked the \$27 million as far as Miami and beyond that we did not get very far with it. We never did find out for sure what happened to the money. That was a study I had some personal

experience with

As we send these aid programs overseas, most Americans are happy to help out as we can, but we want to know what happens to the money. We want to know what happens to the dollars so that it is not just enriching a very few people and not accomplish-

ing the purpose for which it was intended.

I read a list of the things that this NASACT organizations tries to do.

To further these objectives NASACT is involved in research, training, and technical assistance designed to improve financial management at the State level. NASACT is the only organization whose membership is involved in technical fiscal activities that have near universal application.

What they try to do is applicable not only in our own country, but it is just as applicable in Poland, Hungary, Czechoslovakia or any other nation we may want to encourage into democratic ways and a free enterprise government, a free market economy.

It is the only organization whose membership has that kind of universal application as far as I know, and these concerns can all be brought together under one heading, one word, and that is a word that is necessary in a democracy, and it is the word "accountabilaccountability. In my view accountability is the very essence of democracy. In the broadest sense democracy holds elected officials accountable to the people. In the Communist world it is different, very different.

Accounting is very loose, the people get no accounting of where their tax dollars went. In the fiscal sense, in a democracy, government must account to the people for the receipt and proper expenditure of taxpayer funds. I cannot imagine that a democracy could function effectively without

such accountability.

I cannot think that the governments of Europe, of Eastern Europe, of the Warsaw Pact nations that are moving toward a free market economy can function without effectively having

such accountability.

With respect to foreign assistance programs, as I mentioned, accountability has another dimension-we must be able to account for the dollars of U.S. taxpayer money that we provide as assistance to other countries. We must be able to know that our money was used for the purposes intended. In a December 1988 report examining problems and issues affecting economic assistance, the GAO stated thatand I stress this because I think they stated it very well-

Host-country financial management weaknesses have directly contributed to inadequate control over assistance funds, cost overruns, and in some instances misuse of assistance. Limitations include shortages of trained staff and outdated accounting sys-

This brings me to the reason why I have raised this issue in the context of the Poland-Hungary aid bill. Both Poland and Hungary have embarked on the unprecedented course of transforming their governmental systems from totalitarianism to democracy. As Americans, we are unanimous in our

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support for the course the Polish and Hungarian people have chosen, and we are here debating today the question of how we should express that support in concrete terms

At the meeting in my office just a few days ago last week, NASACT made an offer. They said that NASACT is willing—indeed, they are eager—to play a role in this process by providing training and technical assistance to the Government of Poland in the principles and the practices of fiscal accountability and management. And I cannot think of a better group to do it. NASACT has the expertise. The organization or some of its individual members have in the past provided technical assistance or made presentations to several foreign governments.

I believe NASACT is to be commended for its initiative and its interest in Poland's new democracy. I urge the agencies of our Government that will implement and administer the Polish aid program to explore NASACT's offer and, assuming it is feasible and the Polish Government is interested, give very serious consideration to funding this project. It would be very

minimal.

NASACT is happy to contribute their time. They have officials to conduct these programs. All that would be required is the very minimal funding of perhaps some travel and subsistence and things like that and very minimal staffing. But the services or the expertise would basically be free.

Finally, Mr. President, I want to commend all my colleagues who worked diligently to put this assistance package together. I urge the Senate to approve it expeditiously and without major reduction or alteration.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 1125

Mr. SIMON. Mr. President, earlier in connection with the Roth amendment which was agreed to, I assured the senior Senator from Delaware that I would direct staff to prepare a conforming amendment that would ensure the full coherence of the bill in the light of the Roth amendment. Accordingly, I now send to the desk what amounts to a perfecting amendment which fulfills my commitment to Senator Roth.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1125.

Mr. SIMON. 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:

On page 15, after line 13, add the following:

(6) FINANCIAL INSTRUMENTS FOR INDIVIDUAL INVESTMENT.—The President shall ensure that Enterprise Fund Act undertake all possible efforts to establish financial instruments that will enable individuals to invest in the private sectors of Poland and that will thereby have the effect of multiplying the impact of United States grants to each fund.

Mr. COCHRAN. Mr. President, the amendment has been cleared on this side of the aisle, and we urge the Senate to approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. Simon].

The amendment (No. 1125) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry, Mr. President, are there any time constraints on this measure?

The PRESIDING OFFICER. Not at all.

A BIPARTISAN POLICY FOR CENTRAL EUROPE

Mr. DOMENICI. Mr. President, at last the Senate is approaching approval of a bill that, at least from what I can tell, outlines the framework for a United States policy of assistance toward Poland and Hungary. We have now achieved a genuinely bipartisan approach, one that combines the best elements of the Simon-Mitchell proposal and the best element and ingredient of a measure Senator Dole introduced with my cosponsorship immediately after the Simon-Mitchell proposal was placed before the Senate.

With the passage of this legislation, both Houses will have approved the two major initiatives offered by President Bush: First, new enterprise funds for supporting the private sector in Poland and Hungary; and the \$200 million American contribution toward a \$1 billion fund to help Poland's new government stabilize its economy, the Economic Stabilization Fund.

The bill also authorizes more than half a billion dollars over 3 years, but the appropriators and the appropriations process here in the U.S. Congress have already established the funding levels for this year.

I believe the appropriators have done a good job. These requests and these needs came late in the budget cycle yet they have had to be accommodated and adjusted for, perhaps not to everyone's satisfaction. Aid to Central America will be reduced somewhat, but let us be at least pleased that a substantial portion of the Kis-

singer Commission plan has been accomplished.

The immediate impact of this measure will be the policy guidelines that it establishes, not the money that it promises for future years. Essentially, it establishes some guidelines which are new, some approaches to foreign assistance that are new and different. And that is how it should be.

TRADITIONAL FOREIGN AID WON'T WORK

It is obvious to many that the foreign aid and foreign assistance programs of the United States could accomplish more than they do now. Most of them are familiar in detail to the current occupant of the Chair.

We never envisioned that they would apply to a government or economy in transition such as Poland or Hungary, from a centralized planned economy, with Communist single party governance, to perhaps a less centralized and hopefully a market-place economy. We don't know much about how to start pluralistic systems, a political system of legal governance and many parties.

Obviously, we have to do something different. That is why it is exciting to try the new enterprise fund concept encapsulated in this bill. I predict before we make it through the transition from these Communist economies to where they are desirous of going, that we will try many new things.

I am just hopeful that we will make the right assessments of where we can accomplish the most in moving these countries in an orderly way, not one of anarchy, but an orderly transition toward pluralism in their party structure and as much marketplace economics as possible. A Presidential mission will soon do this assessment in Poland. That is not going to be easy.

This bill is a better bill than the one we started with many months ago. It begins the process of modifying our foreign aid practices to take into account the different realities in central and Eastern Europe, some of which I have briefly described in the last few minutes.

Our free enterprise example, our technical assistance and our determination to keep a free and fair trading system will help the amazing transition in central Europe far more than promising billions of dollars that we cannot afford. We are not absolutely sure this new aid will do anything more than many of the billions which were borrowed before in the 1970's, which are now dragging these economies down because they cannot afford to repay them. The Polish people look back and wonder, what did we get for it? Where did the money go?

So I am hopeful that our free enterprise example, our technical assistance, I repeat, and our determination to keep free trade and fair trade open will make a positive difference. If we can have the trade policies of the free world apply as quickly as possible, it is obvious that that will have the most dramatic effect in central and eastern Europe.

AID NOT CRITICAL FACTOR

As a matter of fact, Mr. President, I am no expert on this, but I have been told that open trade, not American aid, saved Western Europe in the late 1940's.

A real, indepth analysis of the success of the Marshall plan will find that adaptation of the more open trading practices of the United States is what changed those European countries from failures to success.

After the initial short-term relief, trade mattered to a more significant degree than our aid. After the war, we opened up to American trade those faltering West European economies that were besieged by communism on their borders. They had to overcome the total rhetoric and propaganda of the Stalinists as well as the economic malaise after the war. We think the critical part of the Marshall plan was aid, but it might have been trade.

Some experts offer this explanation and I believe they may be right. We ought to look carefully at that when we talk about helping Poland and Hungary, and, yes, even East Germa-

Incidentally, the East Germans will not have as much trouble as Poland. Aid and trade will flow to East Germany because of the maturity of their system, its current state of productivity—which is pretty significant for an Eastern-bloc country—and its proximity to West Germany which, as everyone knows, in the area of export goods is second to none.

We think Japan is the premier exporter and producer of goods for the world marketplace on any measurement of national significance, but in many sectors, West Germany is No. 1. The trade is going to go in the opposite direction, there. They will help build the capacity to trade in East Germany.

Everyone thinks East Germany is going to move toward the west. In fact, the Federal Republic may move toward East Germany, in terms of the injection of capital and the capacity to build and employ and pay higher wages. That may be the easiest transition of all. We hope some of that will work in Poland and Hungary.

I want to close by saying under the Senate bill the United States is giving money to Poland, not lending it. Many of our European friends provide loans and guarantees that Poland does not need and cannot repay for many years. I hope the House conferees do not insist on adding to Poland's short-term debt through the trade credit insurance program. I really do not think that is the way to go.

I want to congratulate the Democratic and Republican leaders for bringing the Senate together on this issue. I thank the Senators from Illinois and Alaska, Indiana, Colorado, Delaware, and Wyoming; they have all been involved.

THE PRESIDENT'S PLAN

Most of all I would like to commend the President of the United States. The two basic new concepts of significance were requested by him. The enterprise funds and the economic stabilization funds are tailored as best we can for the transition economies of Poland and Hungary. Some say he is not taking enough of a lead here. Maybe it is just he does not talk about it as much as others.

I congratulate him for the two initiatives that are in this bill, because they are his. I am pleased to be part of trying to implement them now. I know that the appropriators understand their significance. As I indicated, this is authorization and guidance for the future, but we have this new program already funded in the appropriations process, even though it is late in the year.

These new types of funds, as I indicated, may or may not work. But they are certainly more appropriate than the traditional foreign aid programs that we have for the rest of the world. If we work, they will become, perhaps, the models for effective U.S. assistance to other countries setting out on this very difficult transition towards freedom and democracy. It's a long journey to democratic capitalism from where they have been, behind the Iron Curtain, all these years.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I commend our colleague from New Mexico for his help on this, for his leadership on the legislative package that passed earlier. He has been to Poland. He understands the needs there. And the basic thrust he mentioned, that we want to encourage the development of the private sector rather than just passing out dollars or passing out loans, is very much a part of the thrust of this bill.

I am pleased we have a good bipartisan bill. One of the reasons we have it is Senator Domenici from New Mexico.

Mr. DOMENICI. I thank my friend from Illinois.

Mr. SIMON. If no one seeks the floor, 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. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

STATUS OF PENDING NOMINATIONS

Mr. MITCHELL. Mr. President, last Thursday, the Republican leader placed a list of pending nominations in the Record.

While I was on the floor during the Republican leader's statement, a letter was delivered to my office from the President's Chief of Staff, John Sununu. This letter states that the President would like all of his nominations confirmed by the time the Senate adjourns the 1st session of the 101st Congress. The letter goes on to indicate that the President would retain the right to make recess appointments.

During the previous administration, the Senate and the President reached an accommodation in this regard. The President refrained from making intrasession recess appointments. In those rare instances when it was necessary to make a recess appointment, either intrasession or during sine die recesses, the President notified the majority leader in advance of the announcement of the appointment. I have asked the President to continue this practice, and I hope that he will do so.

The right of the President to make recess appointments during the period of a sine die adjournment is not in question. However, I do believe that this should be a rare occurrence in truly emergency situations.

The President and the Senate have constitutional roles in the nomination and confirmation process. There is no time limit on how long the President takes to decide whether to submit a nomination, and there is no time limit on how long the Senate takes to confirm a nominee. Each sets its own standard in these matters. That is as it should be under our Constitution.

The Senate has made good progress in confirming the President's nominations throughout this year. The Senate has confirmed 343 of the President's nominations to date. Of this number, 132 have been confirmed since September 6. Twelve nominations are on the Executive Calendar.

One hundred and five nominations are pending before Senate committees. According to the Senate's records, 88, or the overwhelming majority, of these nominations have been received since September 6; 41 have been pending since October 12, just a month ago.

The delay in submitting these nominations to the Senate is not the fault of the Senate. It is the administration's responsibility.

Senate committees are planning to process as many of the remaining nominations as possible prior to the sine die adjournment. As many as half of the pending nominations may be confirmed, if unforeseen problems do not arise.

In many cases where action is not scheduled, the nominees have not completed the necessary paperwork for committee consideration. For instance, of the 27 nominations pending before the Foreign Relations Committee, fully 17 of them-more than half-have not completed the necessary paperwork. This delay is not the fault of the committee or the Senate. It is the administration's responsibility.

Some members of the President's staff have stated that the lack of action on nominations will hinder the administration's policy decisions next year. As I stated in September, the Senate cannot act on a nomination until the nomination is made by the President and received by the Senate. Making nominations is the administration's responsibility.

Many critical nominations have not yet been received by the Senate. To date, more than one-fourth of the 431 full-time positions requiring Senate confirmation in executive departments and agencies are either vacant or there has been no announcement that the incumbent will be retained by the administration. Eighty of these positions are in executive departments. This is not the fault of the Senate. It is the administration's responsibility.

At the present time, 56 vacancies exist on the Federal bench. Eleven nominations are pending before the Judiciary Committee-4 of them have been received just since October 31 just two weeks ago. The Judiciary Committee hopes to act on as many as seven of the pending judicial nominations prior to adjournment. The committee is doing its work. But 45 judicial vacancies still remain without nominations having been made by the President. This is not the fault of the Senate. It is the administration's responsibility.

There have been two major natural disasters in this country this fall. The Federal Emergency Management Agency has received substantial criticism for its response to the damage caused by Hurricane Hugo. While trying to cope with the hurricane disaster, the agency was hit with the California eathquake. Meanwhile, there still have been no nominations by the President for Director, Deputy Director or inspector general at FEMA. This is not the fault of the Senate. It is the administration's responsibility.

The President has been in office for nearly 10 months. In that time there have been two major natural disasters. How many more disasters must occur before the President nominates someone to fill those three high offices at the Federal Emergency Management

Agency? If the White House can criti- TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS REcize the Senate for taking more than 1 month to confirm a nomination, what can be said of a White House which takes more than 10 months to make a nomination?

The Constitution created a system of checks and balances between the three branches of Government. The nomination and confirmation process is a part of that system. Last week, an administration source was quoted in the press as saying that the White House is engaged in "positioning."

We need less positioning and more action by the administration in making nominations to the many important positions with respect to which nominations have not been made.

I believe the record shows that the Senate has continued to act in a cooperative manner on the President's nominations. The President will be submitting many more nominations this fall and next year. I intend that the Senate continue to move as expeditiously and cooperatively as possible on these nominations, consistent with our responsibilities under the Constitution.

I ask unanimous consent that the following documents be printed in the RECORD at this point.

First, a document prepared by the Congressional Research Service which includes a list of full-time positions requiring Senate confirmation in executive departments and independent agencies for which President Bush has neither made a nomination nor announced retention of an incumbent from the previous administration, as of November 10, 1989; and

Second, a list of nominations pending in Senate committees and on the Executive Calendar, as of the close of business on November 9, 1989.

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

TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS RE-QUIRING SENATE CONFIRMATION IN EXECUTIVE DEPART-MENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Name of Department I

name or Depart	ment .	incumbent	Level
DEPARTMENT OF AC	GRICULTURE		
Administrator—Farmer ministration.	rs Home Ad-	Vance Clark	V.
Administrator — Federa spection Service.	l Grain In-	Walter K. Miller	V.
Administrator—Rural Administration. ² . DEPARTMENT OF CO		Harold V. Hunter	V.
Under Sec—Technolog Asst Sec—Congression Asst Sec—Economic I Director—National In- ards.	nal Affairs Development	Marc G. Stanley	IV.
Inspector General Chief Scientist—Nati and Atmospheric A	onal Oceanic	Francis D. DeGeorge	IV. V.
Asst Commissioner—F Asst Commissioner—T		Vacant	GS-18. GS-17.

QUIRING SENATE CONFIRMATION IN EXECUTIVE DEPART-MENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCLIMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10. 1989-Continued

_	Name of Department 1	Incumbent	Level
	DEPARTMENT OF DEFENSE *		
	ncipal Deputy Under Sec-Ac-	Vacant	. III.
Ace	quisition.	Vacant	IV
Ass	st Sec—Production and Logistics	Jack Katzen	IV.
Ass	st Sec—Health Affairs st Sec—Production and Logistics st Sec—Research and Engineer-	Robert C. Duncan	IV.
	mg,	June G. Brown	
co:	EPARTMENT OF THE AIR FORCE	Jule G. Diowii	IV.
	st Sec—Readiness Support	Vacant	. IV.
ns:	DEPARTMENT OF THE ARMY	vasant	
Acc		Vacant	IV
Ass	st Sec—Research Development	Jay R. Sculley	
	and Acquisitions.	E II all more	
	DEPARTMENT OF THE NAVY		
		Everett A. Pyatt	IV
Ass	tics. st Sec—Research Engineer and	Thomas F. Faught	. IV.
	Systems.	The state of the s	
	DEPARTMENT OF EDUCATION		
Ass	st Sec—Civil Rightsst Sec—Elementary and Second-	Vacant	
Ass	st Sec—Elementary and Second-	Vacant	. IV.
	ary Education. ector—National Institute of Dis-	Vacant	٧.
	ability Research.		
	DEPARTMENT OF ENERGY		
Ad	ministrator—Energy Information	Helmut A. Merklein	IV.
	Administration. ministrator—Economic Regula-	Chandler van Orman	IV
	tory Administration.	Cheffuler van Utiliali	. 11
Ass	st Sec-Environment, Safety and	Vacant	IV.
Ac	Health. st Sec—Fossil Energy rector—Office of Civil Radioac-	James A. Wampler	IV
Dir	rector—Office of Civil Radioac-	Vacant	. IV.
	tive waste management.		
	rector—Office of Energy Re- search.	Robert O. Hunter, Jr	IV.
	puty Inspector General	Vacant	V.
	DEPARTMENT OF HEALTH AND		
100	HUMAN SERVICES *		
Ad	ministrator—Alcohol, Drug, and Mental Administration,	Frederick K. Goodwin	IV.
Ad	ministrator—Health Care Financ-	Vacant	IV.
	ing Administration		
As	st Sec—Family Support Adminis- tration.	Vacant	IV.
As	st Sec—Planning and Evaluation	Vacant	IV.
Dir	st Sec—Planning and Evaluation rector—National Institutes of	Vacant	IV.
	Health. rgeon General	Vacant	NS
Co	mmissioner—Aging	Vacant	V.
	mmissioner—Aging puty Inspector General	Vacant	V.
	DEPARTMENT OF HOUSING AND		
	URBAN DEVELOPMENT	Timethy I Code	n/
AS	st Sec—Legislative and Congress. st Sec—Public and Indian Hous-	Vacant.	IV
Pre	mg. esident—Government National Mortgage Corporation. esident—Solar Energy	Vacant	IV.
Pre	Mortgage Corporation	Walter R. Preysnar	IV.
	DEPARTMENT OF THE INTERIOR		77 1-49
		Vacant	V.
	Affairs.		2000
	DEPARTMENT OF JUSTICE 6		
	rector—Federal Bureau of Inves-	William S. Sessions	11.
	tigation.7.	Vacant	m
Ad	soc Attorney General	John C. Lawn	. 10.
AS	st Att Gen—Administration	Vacant 8	IV.
As	st Att Gen—Administration	Richard B. Abell	IV.
Dir	ector-Bureau of Justice Statis-	Steven R. Schlesinger	IV.
	tics. rector—Community Relations		
	Service.		
Dir	rector-National Institute of Jus-	James K. Stewart	IV.
Ins	tice. pector General	Vacant	IV.
De	p Administrator—Drug Enforce-	Thomas C. Kelly	. V.
	ment Administration.		
20	ecial Counsel—Immigration and Unfair Employment Practices.	Lawrence J. SISKING	00-1/.
	DEPARTMENT OF LABOR		
Ass	st Sec—Administration and Man-	Thomas C. Komarce	
	agement		
Ins	pector General	J. Brian Hyland	IV.
	minositrici - Fanoi Statistirs	Vacant	1 Ta

TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS RE-QUIRING SENATE CONFIRMATION IN EXECUTIVE DEPART-MENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989-Continued

Name of Department ¹	Incumbent	Level
DEPARTMENT OF STATE 9		
Asst Sec—Oceans, Environment, and Scientific Affairs.	Frederick M. Bernthal	IV.
Director—Office of Foreign Missions.	Vacant	IV.
DEPARTMENT OF TRANSPORTATION		
Administrator—St. Lawrence Seaway Development Corpora- tion. 10	James L. Emery	
Asst Sec—Administration	Jon Seymour	IV.
Inspector General	. John W. Melchner	IV.
Associate Deputy Secretary DEPARTMENT OF THE TREASURY	. Vacant	V.
Comptroller—Currency 11	Robert L. Clarke	111.
Director-Thrift Supervision Office		
Under Secretary-Monetary Affairs	Vacant	III.
Asst Sec—Enforcement	. Salvatore R. Martoche	IV.
Director—U.S. Mint 12		
Superintendent—U.S. Mint/San Francisco.	Vacant	
Superintendent—U.S. Mint/West Point.	Clifford M. Barber	GM-15.
Engraver-U.S. Mint/Philadelphia		
Assayer—U.S. Mint/Denver	Victor Hurtado	
Assayer—U.S. Mint/Philadelphia	John C. McGraw	GM-13.
Assayer—U.S. Mint/San Francisco	Vacant	GM-13.
Assayer—U.S. Mint/West Point	. Vilma R. Taracido	GM-13.
DEPARTMENT OF VETERANS AFFAIRS		
Chief Medical Director 13	John A. Gronvall	III.
Chief Benefits Director 1 1 13	R. John Vogel	IV.
Inspector General	Vacant	IV.

Excluded from the report are positions in the military services, the Foreign Service and overseas commercial and diplomatic posts (including Chiefs of Mission), the offices of U.S. Attorney and U.S. Marshals, and the two civilian uniformed services—the National Oceanic and Atmospheric Administration Officer Corps and the Public Health Service Officer Corps.

2 Fixed ten-year term of office.

3 Does not include positions in the commissioned corps of the National Oceanic and Atmospheric Administration and overseas posts in the U.S. and Foreign Commercial Service.

4 Does not include positions in the military services.

5 Does not include positions in the commissioned corps of the Public Health Service.

Pioes not include positions for U.S. Attorney and U.S. Marshal.
Fixed 10-year term of office.
Mominee for this position was rejected by Judiciary Committee on Aug. 1,

1989.

Does not include Foreign Service positions in overseas posts.

1º Fixed seven-year term of office (expires Nov. 20, 1990).

1¹ Fixed five-year term of office.

1² Fixed five-year term of office. (expires July 21, 1991).

1² Fixed four-year term of office. If the incumbent is removed before his or her term expires, the President must communicate reasons to both Houses of Congress.

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous Administration.

TABLE 2-FULL-TIME POSITIONS REQUIRING SENATE CON-FIRMATION IN INDEPENDENT EXECUTIVE AGENCIES FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMI-NATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

	Name of agency	Incumbent	Level
	ACTION		
Assistant	ector	Jane A. Kenny ¹	
	RATIVE CONFERENCE OF E UNITED STATES		
	NMENTAL PROTECTION AGENCY	Marshall J. Breger	II.
Assistant Affairs.	Administrator—External	Vacant	IV.
Assistant and Der FED	Administrator—Research velopment. DERAL EMERGENCY NAGEMENT AGENCY	Vacant	IV.
Director		Vacant	B.
	rector		IV.
Administra	tor—Federal Insurance	Harold T. Duryee	IV.

TABLE 2-FULL-TIME POSITIONS REQUIRING SENATE CON-FIRMATION IN INDEPENDENT EXECUTIVE AGENCIES FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMI-NATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION. AS OF NOV. 10. 1989-Continued

Name of agency	Incumbent	Level
Administrator—U.S. Fire Administration.		IV.
Associate Director—External Affairs Associate Director—State and Local Programs.	James P. McNeill	IV. V.
Inspector General	Vacant	V.
ADMINISTRATION	9.50	LON
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION	William R. Barton	- V
Inspector General	Bill D. Colvin	IV.
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION		
Archivist	Don W. Wilson	111.
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES		
Chairman—National Endowment for the Humanities 3.	Lynne V. Cheney	III.
NATIONAL SCIENCE FOUNDATION		
Director 4		II
OFFICE OF PERSONNEL MANAGEMENT	John H. Moore	III.
Inspector General	Vacant	IV.
OFFICE OF GOVERNMENT ETHICS		
Director	Vacant	V.
OFFICE OF THE FEDERAL INSPEC- TOR OF THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM		
Federal Inspector	Theodore J. Garrish	III.
PANAMA CANAL COMMISSION		
Administrator SELECTIVE SERVICE SYSTEM	Dennis P. McAullife	V.
Director	Vacant	IV.
SMALL BUSINESS ADMINISTRATION		
Inspector General	Charles R. Gillum	V.
UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY		
Special Representative—Arms Con- trol.	Edward L. Rowny	IV.
Assistant Director—Nuclear and Weapons Control.	Kathleen C. Bailey Vacant.	V.
Assistant Director—Multilateral Af- fairs.		-
Assistant Director—Strategic Programs.	Vacant	V.
Assistant Director—Verification and Intelligence.	Manfred Eimer	V.
UNITED STATES INFORMATION AGENCY		
Associate Director—Programs	Charles E. Horner	IV.
UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY		
AGENCY FOR INTERNATIONAL DEVELOPMENT [AID]		
AdministratorAssistant AdministratorAfrica	Vacant	II.
Assistant Administrator—External		
Affairs. Assistant Administrator—Latin	Vacant	IV.
America.	Mae N. Peden	
Enterprise. Assistant Administrator—Science and Technology.		
Inspector General	Vacant	

Given recess appointment on Nov. 22, 1988.
Fixed term of office (5 years); term expires Oct. 15, 1990.
Fixed term of office (4 years).
Fixed term of office (6 years).

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous administration.

TABLE 3.—FULL-TIME POSITIONS REQUIRING SENATE CON-FIRMATION IN EXECUTIVE OFFICE OF THE PRESIDENT FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMI-NATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Incumbent	Level
Jacqueline E. Schafer	IV.
Vacant	IV.
Jay S. Plager	IV.
Vacant	III.
. Thomas P. Rona	111.
	Jacqueline E. Schafer

Note.—Excluded from the list are those positions to which individuals have en nominated or where the President has announced that he is retaining the cumbents from the previous administration.

TABLE 4.-FULL-TIME POSITIONS REQUIRING SENATE CON-FIRMATION IN MULTILATERAL ORGANIZATIONS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMI-NATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Name of Organization	Incumbent	Level	
ASIAN DEVELOPMENT BANK			
U.S. Executive Director INTERNATIONAL BANK FOR RECON- STRUCTION AND DEVELOPMENT	Victor F. Frank, Jr	NA	
U.S. Alternate Executive Director* INTERNATIONAL MONETARY FUND	Mark T. Cox IV	NA 1	
U.S. Alternate Executive Director 1	Charles S. Warner	NA 1	

1 Salary is slightly higher than Executive Level V.

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous administration.

NOMINATIONS PENDING IN SENATE COMMIT-TEES AND ON EXECUTIVE CALENDAR (as of close of business, Nov. 9, 1989)

This list shows on a committee by committee basis the name of nominee, position nominated for, and date nominated by the President.

Nominations pending on the Executive Calendar are listed under the reporting committees with the name of the nominee, position, and Executive Calendar number.

AGRICULTURE

Nominations on the Calendar: James E. Cason, Assistant Secretary of Agriculture, May 2 (Cal. 449).

Nominations pending in Committee:

William P. Albrecht, Commodity Futures Trading Commission, Commissioner, August

Margot E. Machol, Commodity Futures Trading Commission, Commissioner, Sept. 8.

Adis Maria Vila, Assistant Secretary, Dept. of Agriculture, Sept. 14.

Leon Snead, Inspector General, Dept. of Agriculture, Oct. 3.

ARMED SERVICES

Nominations pending in Committee: Antonio Lopez, Associate Dir. of the Fed. Emergency Management Agency, May 18. Victor Stello to be Asst. Sec. of Energy,

July 24.

Robert C. Duncan, Dir. of Operational Test & Evaluation, Dept. of Defense, August 4.

Christopher Jehn, Asst. Secretary, Dept.

of Defence, Sept. 6.
Craig S. King, General Counsel of the Dept. of the Navy, Dept. of Defense, Sept. 6. Barbara S. Pope, Asst. Secretary of the Navy, Dept. of Defense, Sept. 6.

Duane P. Andrews, Asst. Secretary of De-

fense, Dept. of Defense, Sept. 8.

Ann C. Petersen, General Counsel of the Dept. of the Air Force, Dept. of Defense, Oct. 3.

Michael B. Donley, Asst. Secretary of the Air Force, Dept. of Defense, Oct. 6.

Robert R. McMillian, Member of the Board, Panama Canal Commission, Oct. 6. Robert C. McCormack, Asst. Secretary of

the Navy, Dept. of Defense, Oct. 11. Susan M. Livingstone, Asst. Secretary,

Dept. of Defense, Nov. 2.

G. Kim Wincup, Asst. Secretary of the Army, Dept. of Defense, Nov. 6.

BANKING

Nominations pending on the Calendar: Brian W. Clymer, Urban Mass Transporta-tion Administrator, June 16 (Cal. 336).

Nominations pending in Committee: Michael P. Galvin, Asst. Sec. of Com-

merce, August 4.

Frank B. Sollars, Member of the Board of Directors, National Consumer Cooperative Bank, Sept. 6.

Gordon H. Mansfield, Asst. Secretary, Dept. of Housing and Urban Development, Oct. 3.

Mary L. Schapiro, Member of the Securities and Exchange Commission, Nov. 8.

COMMERCE

Nominations pending in Committee:

Edward M. Emmitt, Member ICC, June 8. Deborah Wince-Smith, Asst. Sec. of Commerce for Technology Policy, June 13.

Sue Coughlin, Member of the National Transportation Safety Board, June 21.

Jerry R. Curry, Administrator of the National Highway Traffic Safety Administra-

tion, Dept. of Transportation, Sept. 6.
Jennifer J. Wilson, Asst. Secretary for Oceans and Atmosphere, Department of

Commerce, Sept. 8.

J. Thomas Ratchford, Associate Director of the Office of Science and Technology Policy, Executive Office of the President, Oct. 3.

James B. Wyngaarden, Associate Director of the Office of Science and Technology Policy, Executive Office of the President, Oct. 3.

Jacqueline Jones-Smith, Commissioner, Consumer Product Safety Commission, Oct.

Jacqueline Jones-Smith, Chairman, Consumer Product Safety Commission, Oct. 12. Barry L. Harris, Deputy Administrator of the Federal Aviation Administration, Dept. of Transportation, Nov. 6.

Edward J. Philbin, to be a Member of the Interstate Commerce Commission, Nov. 9.

ENERGY

Nominations on the Calendar:

Martin L. Allday, Member of the Federal Energy Regulatory Commission, Oct. 17 (Cal. 478).

Nominations pending in Committee: None.

ENVIRONMENT

Nominations on the Calendar:

Forrest J. Remick, to be a Member of the Nuclear Regulatory Commission, August 4

Nominations pending in Committee:

David C. Williams, Inspector General Nuclear Regulatory Commission, July 24 (Jt. Referral w/Gov't Affairs).

James M. Strock, Asst. Administrator of EPA for Enforcement and Compliance Monitoring, August 4.

Jacqueline L. Phillips, Federal Cochairman, Appalachian Regional Commission, Sept. 6.

Hilda G. Legg, Alternate Federal Cochairman, Appalachian Regional Commission, Oct. 4

Don R. Clay, Asst. Administrator, Office of Solid Waste, Environmental Protection Agency, Oct. 17.

FINANCE

Nominations pending in Committee:

Catalina V. Villalpando, Treasurer of the U.S., Dept. of the Treasury, Sept. 26. Donald E. Kirkendall, Inspector General,

Dept. of Treasury, Oct. 20.
Abraham N. M. Shashy, Asst. General
Counsel in the Dept. of the Treasury (Chief for the Internal Revenue Service) Nov 2

FOREIGN RELATIONS

Nominations pending on the Calendar:

Morton I. Abramowitz, Career Member of the Senior Foreign Service, Class of Career Minister, for the personal rank of Career Ambassador in recognition of especially distinguished service over a sustained period (Cal. 465).

Richard H. Melton (C), Ambassador to the Federative Republic of Brazil, (Cal. 489).

Cresemcop S. Arcps (C) Ambassador to the Republic of Honduras, (Cal. 480).

Nominations pending in Committee-Ccareer, NC-noncareer:

Eric M. Javits (NC), to be Amb. to Venezuela, July 11.

Joy A. Silverman (NC), to be Amb. to Bar-bados & concurrently to Dominica, St. Lucia, St. Vincent & the Grenadines, July

Jerry A. Moore, Jr. (NC) to be Amb. to Lesotho, July 11.

Ronald J. Sorini (NC), for rank of Amb. as U.S. Negotiator on Textile Matters, August

James D. Watkins, U.S. Representative to the 33rd session of the General Conference, International Atomic Energy Agency, Sept.

Pearl Bailey (NC), Representative to the 44th Session of the General Assembly, United Nations, Sept. 26.

Barbara Hackman Franklin (NC), an Alternate Representative to the 44th Session of the General Assembly, United Nations,

Gary E. McDougal (NC), an Alternate Representative to the 44th Session of the General Assembly, United Nations, Oct. 6.

Philip L. Christenson (NC), Asst. Administrator of the Agency for International Development, Oct. 6.
Ruth V. Washington (NC), Ambassador to

the Republic of The Gambia, Oct. 11.

Daniel Howard Simpson (C), Ambassador to the Central African Republic, Oct. 17.

Bernard W. Aronson (NC), Member of the Board of Directors, Inter-American Foundation, Oct. 17.

Edward S. Walker (C), Ambassador to the United Arab Emirates, Oct. 20.

Frances D. Cook (C), Ambassador to the Republic of Cameroon, Oct. 25.

Richard T. Kennedy, Alternate Representative to the 33rd Session of the General

Conference, International Atomic Energy Agency, Oct. 25.

Edmund DeJarnette (C), Ambassador to the United Republic of Tanzania, Oct. 30.

Michael H. Newlin, Alternate Representative to the 33rd Session of the General Conference, Oct. 30.

Larry K. Mellinger (NC), U.S. Executive Director, Inter-American Development Bank, Oct. 30.

Albert W. Angulo (NC), U.S. Alternate Executive Director, Inter-American Develop-ment Bank, Oct. 30.

Hilary P. Cleveland (NC), Commissioner on the part of the U.S. International Joint Commission, U.S. and Canada, Nov. 1.
Anthony C.E. Quainton (C), Ambassador

to the Republic of Peru. Nov. 6.

Bradley P. Holmes (NC), U.S. Coordinator for International Communications and Information Policy, with the rank of Ambassador, Nov. 6.

Cynthia S. Perry (NC), Ambassador to the

Republic of Burundi, Nov. 8.

Robert G. Joseph (C), rank of Ambassador during his tenure of service as U.S. Commissioner on the U.S.-USSR Standing Consultative Commission, Nov. 8.

Stephen J. Ledogar, (C), for the rank of Ambassador during his tenure of service as U.S. Representative to the Conference on Disarmament, Nov. 9.

GOVERNMENTAL AFFAIRS

Nominations pending in Committee: Jean McKee, Member Federal Labor Relations Authority, July 11.

Kathleen Koch, General Counsel Federal Labor Relations Authority, July 11.

David C. Williams, Inspector General, Nuclear Regulatory Commission, July 24 (Jt. Referral w/Env. & PW).

Pamela Talkin, Member Federal Labor Relations Authority, July 31.

Tony Armendariz, Member, Federal Labor Relations Authority, Sept. 6.

Bill R. Phillips, Deputy Director, Office of Personnel Management, Sept. 6.

George W. Haley, Commissioner, Postal Rate Commission, Sept. 12.

Ronald G. Hein, U.S. Marshal for the Superior Court of the District of Columbia, Sept. 15.

Zinora M. Mitchell, Associate Judge of the Superior Court of the District of Columbia, Sept. 29.

Barbara Bryant, Director of the Census, Dept. of Commerce, Oct. 6.

Richard G. Austin, Administrator, General Services Administration, Oct. 11.

Allan V. Burman, Administrator for Federal Procurement Policy, Oct. 25.

JUDICIARY

Nominations pending on the Calendar: None.

Nominations pending in Committee:

Cindy S. Daub, Commissioner, Copyright Royalty Tribunal, Sept. 6. Vaughn R. Walker, U.S. District Judge for

the Northern District of California, Sept. 7. Edwin L. Nelson, U.S. District Judge for the Northern District of Alabama, Sept. 21. G. Thomas Van Bebber, U.S. District Judge for the District of Kansas, Sept. 13.

Michael J. Norton, U.S. Attorney for the District of Colorado, Sept. 15.

John M. Walker, U.S. Circuit for the Second Circuit, Sept. 21.

Susan Webber Wright, U.S. District Judge for the Eastern and Western Districts of Arkansas, Sept. 21.

Jean P. Bradshaw, U.S. Attorney for the Western District of Missouri, Oct. 6.

Joyce J. George, U.S. Attorney for the Northern District of Ohio, Oct. 6.

Harry F. Manbeck, Commissioner of Patents and Trademarks, Dept. of Commerce, Oct. 12.

Robert W. Sweet, Administrator of the Office of Juvenile Justice and Delinquency Prevention, Oct. 13.

Prevention, Oct. 13.

Edward W. Nottingham, U.S. District Judge for the District of Colorado, Oct. 20.

Arthur D. Spatt, U.S. District Judge for the Eastern District of New York, Oct. 25.

Timothy D. Leonard, U.S. Attorney for the Eastern District of Oklahoma, Oct. 25. Clarence Thomas, U.S. Circuit for the District of Columbia Circuit, Oct. 30.

Edward J. Lodge, U.S. District Judge for

the District of Idaho, Oct. 30.

Gene W. Shepard, U.S. Attorney for the Southern District of Iowa, Nov. 6.

Scott A. Sewell, U.S. Marshal for the District of Maryland, Nov. 8.

Douglas B. Comer, Deputy Commissioner of Patents and Trademarks, Dept. of Commerce, Nov. 8.

Gerald E. Rosen, to be U.S. District Judge for the Eastern District of Michigan, Nov. 9. Donald J. Lee, to be U.S. District Judge for the Western District of Pennsylvania, Nov. 9.

LABOR AND HUMAN RESOURCES

Nominations pending on the Calendar: Jerry M. Hunter, Natl Labor Relations Board, General Counsel, (Cal. 385).

Clifford R. Oviatt, Member, Natl Labor Relations Board, (Cal. 386).

Donald Rodger, Member, Natl Labor Relations Board, (Cal. 387).

Dennis M. Devaney, Member, Natl Labor Relations Board for the remainder of term

expiring December 16, 1989 (Cal. 388).

Dennis M. Devaney, Member, Natl Labor
Relations Board for term of five years expiring December 16, 1994 (Cal. 389).

Nominations pending in Committee: Edwin G. Foulke, Member, Occupational Safety and Health Review Commission, Sept. 26.

Bernard E. DeLury, Director, Federal Mediation and Conciliation Service, Sept. 27.

INDIAN AFFAIRS

Nominations pending in Committee: No nominations pending.

INTELLIGENCE

Nominations pending in Committee: No nominations pending.

RULES

Nominations pending in Committee: Robert W. Houk, Public Printer, GPO, Nov. 7.

SMALL BUSINESS

Nominations pending in Committee: Kyo Jhin, Chief Counsel for Advocacy, Small Business Administration, June 23.

VETERANS' AFFAIRS

Nominations pending in Committee: Ronald E. Ray, Asst. Secretary of Veterans Affairs (Human Resources and Adminis-

tration), Sept. 6.
Edward G. Lewis, Asst. Secretary of Veterans Affairs (Information Resources Management) Sept. 18.

Hart T. Mankin, Associate Judge of the U.S. Court of Veterans Appeals, Sept. 29.

David E. Lewis, Assistant Secretary of Veterans Affairs (Acquisition and Facilities) Oct. 12.

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

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

WELCOMING THE OPENING OF THE BERLIN WALL AND CALL-ING FOR ITS COMPLETE DE-STRUCTION

Mr. MITCHELL. Mr. President, in behalf of myself, Senators Dole, Levin, Helms, and Wirth, I send a resolution on the opening of the Berlin Wall to the desk, and ask that the clerk state the resolution.

The PRESIDING OFFICER. The clerk will state the resolution.

The legislative clerk read as follows:

S. RES. 207

Whereas, since the end of World War II, the United States and the Western allies have been committed to a free Berlin;

Whereas the Berlin airlift, which symbolized that commitment, successfully ended the Soviet blockade of Berlin in 1949;

Whereas the Berlin Wall was created to blockade the eastern half of Berlin and has stood as a symbol of oppression and denial of basic human freedom for 28 years;

Whereas the people of Berlin have struggled heroically against this artificial division of their city, and numerous East Berliners lost their lives while attempting to escape their section of the city;

Whereas free travel between East and West Berlin was permitted beginning on November 9, 1989, and now the Berlin Wall has been opened in several places; and

Whereas at least two million East Germans have crossed to West Berlin during the first few days that the Wall has been opened: Now, therefore, be it

Resolved, That the Senate—
(1) welcomes the opening of the Berlin Wall as symbolic of the beginning of the process of reform taking place in the German Democratic Republic (East Germany) and throughout Eastern Europe:

(2) commends the people of Berlin for their desire for freedom, their courage and dignity, and their role in bringing about the opening of the Wall:

(3) urges the Government of the German Democratic Republic (East Germany) to make permanent the freedom to travel, to permit the formation of political parties, and to hold free elections; and

(4) calls upon the Soviet and East German authorities to remove and destroy the Berlin Wall.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, this resolution speaks for itself.

I will add only that in a year of tumultuous and moving events, none have exceeded and few have equaled the drama of the opening and the destruction of the Berlin Wall, first symbolically and now physically.

This resolution is intended by Senator Dole and myself to express the strong support of the American people to the people of Berlin and to the

desire for freedom of the people of East Germany whose actions have moved their government to take action that few if any believed possible not years or months but just days ago. I hope that the Senate will unanimously approve this resolution.

Mr. SIMON. Mr. President, I ask unanimous consent to be added as a

cosponsor.

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

Mr. SIMON. Mr. President, let me just add my guess is 10, 20, 50 years from now, people will look back on this week that has just passed as the most significant week in the history of humanity since the end of World War II. I think it is that momentous.

The PRESIDING OFFICER. Is there further discussion on the resolu-

ion?

The Chair hears none.

The question is on agreeing to the resolution.

The resolution (S. Res. 207) was agreed to.

The preamble was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

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

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1126

(Purpose: To hold Communist China to its commitment to refrain from missile sales to the Middle East)

Mr. COCHRAN. Mr. President, on behalf of the Senator from North Carolina [Mr. Helms] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Mississippi [Mr. Coch-RAN], on behalf of Mr. Helms, proposes an amendment numbered 1126.

Mr. COCHRAN. 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 end of the committee amendment, add the following new section:

"SEC. The United States Government shall not assist any missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria, or Libya, and has provided reasonable assurances that no future sales of missiles or missile technology to such countries are planned."

Mr. HELMS. Mr. President, this amendment poses a clear cut question: Are we to allow the United States to assist the Communist Chinese missile program at the same time the Chinese may be supplying—or preparing to supply—ballistic missiles and missile technology to Libya, Iran, Syria, and Iraq?

The amendment reads:

The United States Government shall not assist the missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria or Libya, and has provided reasonable assurances that no future sales or missiles or missile technology to such countries are planned.

Mr. President, this amendment is almost exactly the same as an amendment approved by the Senate as part of the 1989 foreign operations appropriations bill. That amendment was subsequently rejected by the House on the basis of a reported commitment received by the administration from the Communist Chinese that no further missile sales would be made to Iran, Iraq, Syria, and Libya.

At the time my amendment was rejected by the House, it was widely suggested that the issue be revisted in the event that the Chinese did not abide by their reported commitment.

It now appears as though China may not be abiding by this commitment. A New York Times story of November 8, 1989 titled "U.S. Worries That China May Again Sell Missiles" reported that a senior official of the Arms Control and Disarmament Agency told a conference that the United States is concerned that Communist China may drop its commitment not to sell missiles or missile technology.

Neither the type of missile nor its destination were identified by the ACDA official, but in February of this year experts from the Congressional Research Service speculated that Syria may be in the market for the Chinese M-9 missile. The M-9 is a solid-fueled rocket with a range of 375 miles. It is highly mobile and in the hands of the Syrians could cover all of Israel.

I ask unanimous consent that the New York Times article be printed in the Record at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HELMS. At the same time concerns are being raised that China may be back in the business of peddling missiles, the license to permit the Chinese to launch a United States satellite on a Chinese missile is likely to be issued within days.

Unless Congress acts to stop issuance of this export license by passing this amendment, the United States would be in the position of providing direct assistance to the Chinese missile program at a time when the Chinese may be peddling missiles and missile technology to the most rabid anti-American states in the Middle East.

If this amendment does not pass, and the export of United States satellites for launch by China is permitted, the Chinese missile program will be provided with valuable new technology, additional funds, and new found credibility. Precisely the wrong signal will be sent to the Chinese about their missile sales. The Chinese will be assisted in their efforts to build better, more advanced, more accurate and more deadly missiles for sale to Iraq, Syria, Libya, and Iran so that these countries will have better missiles to fire at Israel.

Mr. President, this will all come to pass unless some action is taken to prevent the export of United States satellites for launch on Chinese missiles. That is why this amendment is so necessary and urgent.

As I pointed out last year in this Chamber, Senators have watched as the Chinese have single-handedly ignited a missile race in the tinderbox of the Middle East. China's actions in this regard are made all the more irresponsible by the reported feverish efforts of countries such as Libya and Syria to develop chemical weapons which could be carried by Chinese-provided missiles.

But despite these developments—and their ominous implications for Israel's survival and America's interests in the Middle East, the State Department still wants to help the Chinese missile program—apparently without regard to China's adherence to its reported commitment not to provide these or other missiles to countries like Libva and Syria.

Mr. President, this amendment poses a very simple question. Are we going to sit back and allow the State Department to assist the Chinese missile program when the Chinese may be supplying or are preparing to supply missiles to Iran, Iraq, Syria, or Libya?

Or, are we going to take a firm stand for the security of Israel and for peace and stability in the Middle East by approving this amendment to prohibit United States assistance to the Chinese missile program?

Mr. President, mainland China today is a classic military dictatorship. Real power is not held by the President of the People's Republic of China or even the General Secretary of the Chinese Communist Party but rather

in the Military Control Commission and particularly its chairmanship.

At the same time the Chinese military has been the prime instrument of tyranny. Military rule was first tried out on Tibet in March and since it successfully suppressed the Tibetans, it was expanded to Beijing in May.

In order to assist the democratic aspirations of the Chinese and Tibetan peoples, the free world must, as a first step, ensure that it does nothing to increase the power of the Chinese military. In practical terms, this means no hard currency transfers to the Chinese military.

A prime source of hard currency for the Chinese military has been arms sales, including ballistic missiles. They are now trying to establish a satellite launch service. For 25 million United States dollars, one-fourth the price of a Western launch service, the Chinese Army will launch Western satellites. They have proposed to launch two satellites for Australia and one satellite for a group of countries in Southeast

Asia.

As I noted previously, within the past week a new issue has arisen to increase doubts as to the wisdom of these satellite launches by the Chinese. On November 9 the New York Times quoted an official of the Arms Control and Disarmament Agency [ACDA], who said that the United States is concerned that Communist China may sell missiles to the Middle East.

On March 1 of this year CIA Director Webster testified before the Senate Foreign Relations Committee that Syria, as well as Iran, Iraq, and Libya, is developing a chemical weapons capability. Not only does Syria remain a major headquarters for international terrorism, it is also in an official state of war with Israel. Poison gas coupled to the Chinese M-9 missile would change the balance of power in the Middle East.

If it can at all help it, the United States should not be in the position of assisting any Chinese plans to peddle missiles to the Middle East. However, if the proposed export of United States satellites for launch by Chinese missiles is permitted, we will be assisting these Chinese plans, and pumping up the Chinese People's Liberation Army at the same time.

To prevent the export of these satellites, Senators should support my amendment.

amendment.

U.S. Worries That China May Again Sell Missiles

(By Michael R. Gordon)

Washington, November 8.—A senior Administration official said today that the United States is concerned that China may drop its commitment not to sell mediumrange missiles or the technology to make them.

The official, who spoke at a seminar organized by the Arms Control and Disarma-

ment Agency, declined to be specific about possible Chinese export efforts.

China has previously advertised for sale its M family of missiles and has indicated a willingness to help other nations make ballistic missiles, American officials have said. The remarks by the American official today appeared to reflect a concern that the Chinese are again marketing these weapons and technology.

Other Administration officials said they were aware of reports that China was selling missiles in the Middle East and elsewhere. While expressing concerns over these reports, several officials said there was conflicting information about what weapons might be for sale. They said they had no proof that a deal had been consummated.

ELSEWHERE IN ASIA

On other proliferation matters, the senior official painted a disturbing picture of developments in Asia. Pakistan, he said, is continuing its efforts to acquire illicit nuclear technology abroad, and India is producing far more plutonium than it needs for civilian purposes. The United States has asked Moscow to intercede with the Indians but is disappointed with the Soviet efforts, the official said.

Under the rules of the conference, held at the Wye Plantation in Maryland, the identities of the Administration officials who

spoke there could not be disclosed.

American officials were shocked when they learned in March 1988 that China had sold old medium-range missiles to Saudi Arabia. The sale was a serious setback to their efforts to stem the spread of ballistic missiles.

The Reagan Administration sought assurances from the Chinese that they would make no further missiles sales. Chinese officials reportedly indicated that they would not sell intermediate-range missiles.

WHAT U.S. WANTS

Bush Administration specialists have been eager to get Beijing to reaffirm and clarify this understanding. For example, it is not clear exactly how it defines an intermediaterange missile. Nor is it clear to whom it intended to rule out the sale of missile technology, the senior official said.

But he expressed concern that the strain in relations that followed the Chinese crackdown in June on the democracy movement had hampered American efforts to obtain clarifications of Chinese missile views. A meeting in China on profliferation issues with American and Soviet officials was called off, the official said.

Turning to Pakistan, the official said "it is fair to say that the Pakistanis have not reduced their efforts to acquire equipment abroad" that could be used to make nuclear

weapons...

President Bush told Congress last month that Pakistan does not possess a nuclear device; a certification to that effect is needed to provide military and economic aid. However, the senior official said that Pakistan has come so far in its nuclear program that Mr. Bush has "great difficulty" in making that certification.

Mr. SIMON, Mr. President, the language has been worked out with this side. I am pleased to accept the amendment.

The PRESIDING OFFICER. Is there further discussion of the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1126) was agreed to.

Mr. COCHRAN, Mr. President. move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

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

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:35 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year, and for other purposes.

The message also announced that the House has passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 16. Joint resolution designating the month of November 1989 as "National Alzheimer's Disease Month."

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 426. An act for the relief of Christy Carl Hallien, of Arlington, TX;

H.R. 429. An act for the relief of Melissa Johnson; H.R. 568. An act for the relief of

Whiteworth Inc. of Gardenia, CA; H.R. 569. An act for the relief of Maurice

G. Hardy; H.R. 713. An act for the relief of Bruce C.

Veit;

H.R. 715. An act for the relief of the Junior Achievement of Sacramento, Inc.; H.R. 757. An act for the relief of Richard

W. Ireland: H.R. 1017. An act for the relief of William

A. Cassity:

H.R. 1018. An act for the relief of Samuel R. Newman: H.R. 1020. An act to permit reimburse-

ment of relocation expenses of William D. Morger:

H.R. 1021. An act for the relief of Charlotte S. Neal;

H.R. 1727. An act to modify the boundaries of the Everglades National Park and to provide for the protection of lands, waters, and natural resources within the park, and for other purposes;

H.R. 2107. An act for the relief of Pablo

Cruz Patag;

H.R. 2890. An act to designate the Federal Building and U.S. Courthouse located at 750 Missouri Avenue in East St. Louis, IL, as the "Melvin Price Federal Building and U.S. Courthouse"; and

H.R. 3628. An act to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 217. Concurrent resolution honoring the centennial of the birth of India's Pandit Jawaharlal Nehru;

H. Con. Res. 218. Concurrent resolution concerning the establishment of a South Pacific Nuclear Free Zone; and

H. Con. Res. 225. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 2461.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 2991. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore [Mr. DASCHLE].

At 4:07 p.m., a message from the House of Representatives announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2748) to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes: it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Permanent Select Committee on Intelligence: Mr. Beilenson, Mr. McCurdy, Mr. Kastenmeier, Mr. ROE, Mr. McHugh, Mr. Dwyer of New Jersey, Mr. Wilson, Mrs. Kennelly, Mr. GLICKMAN, Mr. MAVROULES, Mr. RICHARDSON, Mr. SOLARZ, Mr. HYDE, Mr. LIVINGSTON, Mr. SHUSTER, Mr. COMBEST, Mr. BEREUTER, Mr. ROWLAND of Connecticut, and Mr. Dornan of California.

From the Committee on Foreign Affairs, for consideration of title IX of the Senate amendment, and modifications committed to conference: Mr. FASCELL, Mr. HAMILTON, and Mr. BROOMFIELD.

From the Committee on Armed Services, for consideration of Department of Defense tactical intelligence and related activities, and modifications committed to conference: Mr. ASPIN, Mr. LANCASTER, and Mr. DICK-INSON.

From the Committee on the Judiciary, for consideration of sections 503 and 601 of the Senate amendment. and modifications committed to conference: Mr. EDWARDS of California, Mr. Morrison of Connecticut, Mr. BERMAN, Mr. SENSENBRENNER, and Mr. SMITH of Texas.

The message also announced that the House has passed the following bill, without amendment:

S. 931. An act to protect a segment of the Genesee River in New York.

The message further announced that the House has agreed to the resolution (H. Res. 287) stating that the bill (S. 686) to consolidate and improve Federal laws providing compensation and establishing liability for oilspills. in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of the House, and that such bill is respectfully returned to the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 215. An act to amend title 5. United States Code, with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee; and

H.R. 756. An act for the relief of Shelton Anthony Smith.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 426. An act for the relief of Christy Carl Hallien, of Arlington, TX; to the Committee on the Judiciary.

H.R. 429. An act for the relief of Melissa Johnson: to the Committee on the Judici-

H.R. 568. An act for the relief of Whiteworth Inc. of Gardenia, CA; to the Committee on the Finance.

H.R. 569. An act for the relief of Maurice G. Hardy: to the Committee on the Judici-

H.R. 713. An act for the relief of Bruce C. Veit; to the Committee on the Judiciary.

H.R. 715. An act for the relief of Junior Achievement of Sacramento, Inc.; to the Committee on Finance.

H.R. 756. An act for the relief of Shelton Anthony Smith: to the Committee on the Judiciary.

H.R. 757. An act for the relief of Richard W. Ireland; to the Committee on the Judici-

H.R. 1017. An act for the relief of William A. Cassity; to the Committee on the Judici-

H.R. 1018. An act for the relief of Samuel R. Newman; to the Committee on the Judiciary.

H.R. 1020. An act to permit reimbursement of relocation expenses of William D. Morger; to the Committee on Energy and Natural Resources.

H.R. 1021. An act for the relief of Charolette S. Neal; to the Committee on Armed Services.

H.R. 2107. An act for the relief of Pablo Cruz Patag; to the Committee on the Judici-

H.R. 2890. An act to designate the Federal Building and U.S. Courthouse located at 750 Missouri Avenue in East St. Louis, IL, as the "Melvin Price Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 217. Concurrent resolution honoring the centennial of the birth of India's Pandit Jawaharlal Nehru; to the Committee on the Judiciary.

H. Con. Res. 218. Concurrent resolution concerning the establishment of a South Pacific Nuclear Free Zone; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

Under the authority of the order of the Senate of November 9, 1989, the following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3628. An act to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1727. An act to modify the boundaries of the Everglades National Park and to provide for the protection of lands, waters, and natural resources within the park, and for other purposes.

The Committee on Foreign Relations was discharged from the further consideration of the following bill, which was placed on the calendar:

H.R. 1495. An act to amend the Arms Control and Disarmament Act to authorize appropriations for the Arms Control and Disarmament Agency, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1782. A bill to amend the Public Health Service Act to provide for the establishment of an AIDS treatment assistance program for low-income individuals, and for other purposes (Rept. No. 101-197).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with

amendments:

S. 53. A bill to authorize the reformulation of the Cedar Bluff Unit of the Pick-Sloan Missouri Basin Program, Kansas, to provide for the amendment of water service and repayment contracts (Rept. 101-198).

S. 486. A bill to authorize the Secretary of the Interior to construct and test the Lake Meredith Salinity Control Project, New Mexico and Texas, and for other purposes (Rept. No. 101-199).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without

amendment:

S. 1121. A bill to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming (Rept. No. 101-200).

S. 1275. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a water treatment plant for the purpose of treating water discharged from the Leadville Mine Drainage Tunnel near Leadville, CO, in order to meet water quality standards, and for other purposes. (Rept. No. 101-201).

H.R. 1310. A bill to redesignate a certain portion of the George Washington Memorial Parkway as the "Clara Barton Parkway" (Rept. No. 101-202).

By Mr. INOUYE. From the Select Committee on Indian Affairs, with an amendment in the nature of a susbstitute.

S. 1783. A bill to regulate Indian child protection and prevent child abuse on Indian Reservations (Rept. No. 101-203).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE:

S. 1872. A bill to amend title II of the Social Security Act to provide for improve-ments in widow's and widower's insurance benefits; to the Committee on Finance.

By Mr. HATCH:

S. 1873. A bill to amend title 38, United States Code, to repeal the termination of the Veterans' Educational Assistance program and to extend the 10-year delimiting period for certain Vietnam veterans; to the Committee on Veterans' Affairs.

By Mr. HEINZ:

S.J. Res. 226. Joint resolution to designate the year 1990 as the "Bicentennial Anniversary of the Legacy of Benjamin Franklin"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself, Mr. Dole, Mr. Levin, Mr. Helms, Mr. Simon, and Mr. Wirth:)

S. Res. 207. Resolution welcoming the opening of the Berlin Wall and calling for its complete destruction; considered and agreed to.

By Mr. SYMMS:

S. Con. Res. 81. Concurrent resolution expressing the sense of the Congress that it should be the policy of the United States to encourage an acceleration of growth in selected Third World nations in order to create new markets for advanced-country products and services; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE:

S. 1872. A bill to amend title II of the Social Security Act to provide for improvements in widow's and widower's benefits; to the Committee on Finance.

SOCIAL SECURITY DISABLED WIDOW'S AND WIDOWER'S EQUITY ACT

• Mr. RIEGLE. Mr. President, I am pleased to introduce S. 1872, the Social Security Disabled Widow's and Widower's Equity Act of 1989. The bill amends title II of the Social Security Act to provide for improvements in the way widows and widowers (hereinafter referred to as widows) can qualify for benefits as disabled survivors of their spouses. Congressman James L. Oberstar (D-Minn) has introduced parallel legislation in the House (H.R. 2731).

Disabled widows are treated less equitably than disabled workers under the eligibility requirements of the Social Security Act that stipulate two different standards for determining disability. Wage earners and SSI applicants just establish that medically determinable impairments are so severe as to preclude substantial gainful activity. If such an impairment exists but does not meet the listing of impairments published in Social Security regulations, the applicant's age, education, and work experience are also taken into consideration. This is not true for disabled widows whose eligibility is measured against the listings alone. This double standard would be eliminated by the passage of this bill.

Unlike disabled wage earners, disabled widows under age 65 receive reduced benefits and widows under age 50 do not qualify for disability benefits. Even though disabled widows lack

earning power, they are unable to receive benefits before age 50, and, once they attain age 50, they receive reduced benefits. These inequities contribute largely to the impoverishment of disabled widows throughout the country. This bill will remove the existing age 50 requirement and eliminate the reduction in benefits for months before age 65.

Under current law, a widow can establish eligibility for widow's disability benefits only during the 7 years after the death of the worker or cessation of mother's benefits. The underlying presumption is that a widow who is neither caring for young children nor disabled is capable of self-support. Thus, she can enter the workforce and qualify for her own disabled worker's benefit before her protection as a widow expires. Benefits, however, can be totally inadequate if the widow has only a few years of experience in the work force. For this reason, my bill will eliminate the requirement that the disabling condition must occur within 7 years of the worker's death or cessation of mother's benefits.

Mr. President, I intend to work vigorously for the passage of this bill which will eliminate the inequities currently facing widows who become disabled and seek Social Security benefits based on the earnings of a deceased spouse.

By Mr. HATCH:

S. 1873. A bill to amend title 38, United States Code, to repeal the termination of the Veterans' Educational Assistance Program and to extend the 10-year delimiting period for certain Vietnam veterans; to the Committee on Veterans' Affairs.

CONTINUATION OF VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

Mr. HATCH. Mr. President, I rise today, recognizing the proximity of Veterans Day, to introduce a bill that I feel will give veterans the education benefits they deserve.

This bill would ensure that all veterans eligible to receive educational assistance under the Veterans' Educational Assistance Program have 10 years after discharge or release from active duty in which to pursue a program of education with such assistance. It also provides 1 day of additional assistance for every day veterans served in the Vietnam Theater of

Combat Operations.

According to a survey I requested, based on a model sample of veterans at Weber State College in Utah, Vietnam-era veterans entered the military with the understanding that the educational benefits granted under the Veterans' Educational Assistance Program would be available upon their discharge. With the December 31, 1989, termination date quickly approaching, these benefits will no longer be available to many who chose

to prolong their service in the U.S. Armed Forces.

The Department of Veterans Affairs estimated that approximately 1 million veterans will have some remaining months of eligibility after the December 31, 1989, cutoff date. I am therefore providing the opportunity for veterans to receive the educational benefits they deserve and that were promised to them when they entered military service.

The Montgomery GI bill is a plan that generously and fairly rewards veterans for their service to our country. but it seems to overlook many who chose to stay in the service and are therefore not eligible for full education assistance under either program. I am merely asking that those transitory veterans who have earned the opportunity to pursue an education and become a productive member of the Nation's work force, have the chance to do so. Those who remained in the military after the Vietnam era should not be penalized by being denied a full 10 years following discharge to use their benefits. When they entered the service, these veterans were promised 45 months of educational benefits, and I feel it is our obligation to keep that promise.

Education assistance was originally intended to facilitate the transition from military service to civilian life and to aid veterans whose careers were interrupted or hindered because of their military service. Studies show that while many veterans have successfully adjusted to civilian life, there are many others who continue to struggle with readapation problems.

Many, including the Department of Veterans Affairs, may argue that extending the delimiting period is not consistent with the readjustment intent of the program. But, by studying the National Vietnam Veterans Readjustment Study conducted by Research Triangle Institute [RTI] in 1988, one will find that a substantial number of both men and women who served in the Vietnam theater of operations have experienced at least one serious readjustment problem after returning to civilian life, and a majority of these veterans continue to experience at least one such problem. Those who most literally fought the wartheater veterans exposed to high levels of war zone stress-were significantly more prone to these problems.

I am introducing this measure to extend assistance to veterans because of the great readjustment problems they face throughout their lives. According to the RTI study, differences of educational attainment exist, compared to that of civilians; there were also discrepancies of educational attainment between Vietnam theater veterans and Vietnam-era veterans. It was found that men exposed to high

war stress were less educated than those exposed to lower levels. It is for this reason that I want to provide additional assistance to those who defended our country in theater combat.

Contrasts between civilians and Vietnam theater veterans of various backgrounds abound, not only on education but also on employment status and occupational instability. Among males overall, theater veterans were marginally less educated than civilians, and those veterans exposed to high war stress were significantly less educated, according to the RTI study.

Male theater veterans and veterans exposed to high war stress also tend to have a work history characterized by occupational instability more often than civilians. For example, theater veteran men experiencing high war stress were almost twice as likely as their civilian counterparts to score at the highest level of occupational instability-25.3 percent versus 14.2 percent. Vietnam theater veterans exposed to high levels of war stress have higher rates of posttraumatic stress disorder [PTSD] than other Vietnam veterans, and both men and women with PTSD were more likely to report work histories characterized by instability than those without this disorder. Among males, those with PTSD had acquired less education and were more likely to be unemployed than civilians, and were also more than twice as likely (42.2 percent versus 19.1 percent) to report high levels of occupational instability. Females with PTSD were more than four times as likely (21.8 percent versus 5.6 percent) to report high levels of occupational instability. In addition, male theater veterans with PTSD were more than 5 times more likely to be unemployed (13.3 percent versus 2.5 percent). Because of relatively high unemployment, especially among younger Vietnam veterans, there is a special need now for education and training assitance that we cannot afford to over-

The Department of Veterans Affairs has provided me with the approximate total numbers of veterans eligible for education benefits under chapter 34 of title 38, United States Code, the group comprising those veterans who would qualify for this extended entitlement. The DVA estimated: fiscal year 1990, 108,600; fiscal year 1991, 61,800; fiscal year 1992, 43,400; fiscal year 1993, 32,200; fiscal year 1994, 24,000. The DVA also estimated that this extended program would cost approximately \$574 million in benefits, and \$9 million in administrative costs.

Many may argue that this is too costly. But they are ignoring the promise that was made to these people when they joined, and the many advantages that the United States enjoys as a result of these veterans' devoted service. Our Nation will further bene-

fit as our competitiveness is increased by a more educated and productive work force. We owe it to these devoted veterans to ensure their continued education assistance, so that they can receive the education they deserve. Many veterans are juggling full-time or part-time jobs and family responsibilities, and 10 years are needed for them to complete their degree requirements. These veterans are entitled to 45 months of education benefits and they should be given 10 years from their date of discharge in which to use this assistance.

I urge my colleagues to support this bill and give those who so ably defended our country the opportunity for education that they deserve.

By Mr. HEINZ:

S.J. Res. 226. Joint resolution to designate the year 1990 as the "Bicentennial Anniversary of the Legacy of Benjamin Franklin"; to the Committee on the Judiciary.

BICENTENNIAL ANNIVERSARY OF THE LEGACY OF BENJAMIN FRANKLIN

• Mr. HEINZ. Mr. President, I rise today to introduce legislation that celebrates the bicentennial anniversary of a great Pennsylvanian, American, and world leader-Benjamin Franklin. Deceased in 1790, after 84 years of service to his country and the world, Benjamin Franklin bequeathed to all mankind a legacy of achievement unmatched in its scope or importance. Benjamin Franklin, considered by many as the original American, was known as the "first citizen of the world" and hailed as a man of unlimited dimension. As a printer, publisher, diplomat, public servant, scientist, businessman, philosopher, philanthropist, healthcare pioneer, and achieving senior citizen, Franklin left a legacy and a philosophy that continues to profoundly influence our lives today.

The establishment of our Nation was made possible by the Founding Fathers, among whom Benjamin Franklin was the senior member. By pledging his life, his fortune, and his sacred honor in the cause of freedom and liberty, Franklin epitomized the spirit that guided our young Nation to independence.

Born in Boston in 1706 and apprenticed as a printer to his brother, Franklin learned quickly the power of the written word and its ability to influence public opinion. At 17 he made his home in Philadelphia where he established himself as the Nation's foremost printer and publisher. During his career, Franklin published seven English language newspapers, and his Pennsylvania Gazette, the most widely circulated newspaper in America, championed the cause of liberty. Franklin also published the first foreign language newspaper, the first political cartoon, and the first novel in America.

Elected to the Pennsylvania assembly in 1750, Franklin was to be active in politics for the next 38 years. He was selected as Speaker and agent to Parliament. The highlight of his 14 years in England was his convincing argument before the House of Commons to repeal the Stamp Act. Franklin was also the Deputy Postmaster General of North America and was later appointed by Congress as the first Postmaster General of America.

Benjamin Franklin played a significant role in the founding of the United States through his work as a delegate to the Second Continental Congress, which voted independence in 1776. Benjamin Franklin was our first diplomat and through his earnest efforts secured recognition of our infant Republic by France. He gained men, ships and money to help in pursuit of our war of independence. It was due to his patience and skill that we achieved a treaty of peace with Great Britain in 1788.

Elected President of Pennsylvania, Franklin not only served as chief executive of his State but was also drafted to represent it in the Constitutional Convention convened to revise the Articles of Federation—our first charter. It was his wit and wisdom that kept the Framers of our Constitution at work during the hot summer of 1787, and his spirit and dedication that enabled 13 separate colonies to become one nation.

Benjamin Franklin, the citizen, played an active role in the betterment of his city and the world. He established the first subscription library and the first mutual insurance company, the University of Pennsylvania and the first hospital in America.

As a scientist, Benjamin Franklin is held in the highest esteem throughout the world. He invented the lightning rod, the electric storage battery and his book on electricity was in great demand throughout the world. He invented a smokeless fireplace, a woodburning stove and a copying machine. Franklin was the first to explain the Gulf Stream, to study communication between insects, to experiment with gypsum as a fertilizer, and the need to rotate crops to improve fertility of soils.

At the time of his death in 1790, Benjamin Franklin received many tributes, perhaps none more eloquent than that of French Finance Minister, Baron Turgot who in praising Franklin said, "he snatched the lightning from the sky and the scepter from the tyrants."

In 1990, we celebrate the 200th anniversary of Benjamin Franklin's legacy of genius. By recognizing the vital contributions that Franklin made to the fabric of American society and by honoring him for his many scientific, economic, and cultural achievements, we

can encourage all Americans to follow in Franklin's footsteps, be it in public service, industry, science, or the arts.

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. Cranston, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 110

At the request of Mr. Kennedy, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 135

At the request of Mr. Glenn, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 135, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 137

At the request of Mr. Boren, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of S. 137, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 435

At the request of Mr. Reid, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 435, a bill to amend section 118 of the Internal Revenue Code to provide for certain exceptions from certain rules determining contributions in aid of construction.

S. 720

At the request of Mr. Boren, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 734

At the request of Mr. REID, the name of the Senator from Idaho [Mr. McClure] was added as a cosponsor of S. 734, a bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the

Federal Advisory Council, the Federal Open Market Committee, and Federal Banks and their branches.

S. 1041

At the request of Mr. Conrad, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 1041, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers who realize capital gain on the transfer of farm property to satisfy an indebtedness, and for other purposes.

S. 1310

At the request of Mr. Simon, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1310, a bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

S. 1582

At the request of Mr. Simon, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of S. 1582, a bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland.

S. 1676

At the request of Mr. Pell, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 1676, a bill to strengthen the teaching profession, and for other purposes.

S. 1815

At the request of Mr. Boschwitz, the name of the Senator from Montana (Mr. Burns) was added as a cosponsor of S. 1815, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer Social Security taxes on cash tips.

SENATE JOINT RESOLUTION 214

At the request of Mr. Thurmond, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of Senate Joint Resolution 214, a joint resolution to express the sense of the Congress regarding the removal of offensive sexual material from television broadcasting.

SENATE JOINT RESOLUTION 218

At the request of Mr. INOUYE, the names of the Senator from Utah [Mr. HATCH], and the Senator from Kansas [Mrs. Kassebaum] were added as cosponsors of Senate Joint Resolution 218, a joint resolution to designate the week of December 3, 1989, through December 9, 1989, as "National American Heritage Week."

SENATE CONCURRENT RESOLU-TION 81-RELATING TO PRI-VATE DIRECT INVESTMENT IN THE THIRD WORLD

Mr. SYMMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 81

Whereas the creation of new employment worldwide is increasingly needed to maintain stability as populations expand;

Whereas such job growth in the Third World would open vital new markets for the products and services of the advanced nations:

Whereas neither welfare-type aid nor the mere reduction of developing-country debt can, in itself, provide the basis for growth of the economies of those countries:

Whereas private direct investment is the principal way to bring about growth in the developing nations; and

Whereas private companies can be encouraged to seek opportunities in the Third World and fugitive capital can be induced to return home if it is made clear that the industrialized nations are united in a consistent policy of facilitating development: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the

sense of the Congress that-

(1) the United states should make known and urge the other member nations of the Organization for Economic Cooperation and Development (OECD) to agree to pursue policies of growth-oriented assistance to such developing nations as may be deemed likely to show important expansion if certain circumstances are created;

tain circumstances are created;
(2) the United States should urge its
OECD partners to meet, discuss, and adopt
such measures of encouragement as may be

necessary and practical;

(3) the United States should urge the other advanced nations to join with the United States in giving new positive signs of accepting importation of Third World products into their economies;

(4) the United States should ask the other advanced nations to encourage private direct investment in the Third World by

their citizens;

(5) the United States should make it a condition of the actions in this concurrent resolution that only those selected Third World nations that give definite promises of full cooperation in this joint effort are to become partners in the program; and

(6) such cooperation should include "national treatment" for private direct investors, an undertaking to keep any protection of new industries as small and as brief as possible, and an agreement to listen attentively to advice of the OECD in the selection of new industrial or commercial projects, in the general management of the Third World nation's economy, and in the reassessment of its comparative advantages.

Mr. SYMMS. Mr. President, I would like to offer a resolution to express the sense of the Congress strongly in favor of private direct investment in the Third World as a means of assuring our own economic growth and security.

The program would create employment and purchasing power where there is very little today. It would create jobs and tax revenues here and among our allies. And unlike the periodic efforts to get a brief economic lift by urging Germany or Japan to speed up their consumption, this would encourage expansion and stability for the 1990's and many decades beyond.

Over a 5-year period, my friend, Charles A. Cerami, and a remarkable team of leaders from around the world have studied the real bottom line of the future of our economy: employment. Most of the world, whether advanced or less developed, suffers from a shortage of jobs. This is worsening. Experts estimate that 100 million new jobs a year are needed worldwide to prevent a spreading and worsening of the violence we have seen in many places. But as technology and robotics eliminate a lot of human employment, hardly any net new jobs are created.

Because U.S. unemployment is low at this time, we don't realize how fast our own job picture could change if all our foreign markets suffer a decline in

personal buying power.

The time to head this off is now, not in a time of crisis, Cerami and his colleagues say in a book recently published by Praeger Publishers in New York and London. The book is titled, "An International Roundtable on World Economic Development," and I consider it a landmark because the 16 world leaders who have put their thoughts into it are willing to act on their words.

There are important chapters by our distinguished colleague, Senator Bill Roth of Delaware, and our former colleague, Jack Kemp, now an outstanding member of President Bush's Cabinet. Also in it are two European foreign ministers, the secretaries general of two world organizations, Germany's present Ambassador to Washington, our former Secretary of Agriculture Jack Block, former Commerce Under Secretary Lionel Olmer, and Dr. Francisco Aguirre, publisher of one of our great Spanish-language newspapers, Diario Las Americas.

Everybody who has contributed to this book has spoken out plainly, without any cautious rhetoric. The Senator from Delaware, BILL ROTH, for instance, just about said it all in these words:

We have to get more countries on their feet, because you can't make much money selling to poor people.

Just to have gathered and managed this symposium of brilliant personalities is a remarkable achievement for a private citizen. To have coordinated their views so that a coherent plan emerges, despite their differences, Charles Cerami's organizing efforts are reminiscent of Jean Monnet's work in crafting the European Community.

There are a number of powerful points that all these leaders—and all

of us-agree on:

That the steady expansion of investment into new areas is important to our future.

That our governmental policies to encourage those investments must be steady enough to give businessmen the confidence to plan and act.

That investment and development are fields in which we have a massive advantage over the Soviets, and we should use it to build security.

And that developing nations wishing to take part in the growth program must bear their share of responsibility. Some of their economic systems need overhauling. They, too, must make changes. They, too, must give our Government confidence.

And, Mr. President, that brings me to a new point: One new thing out there is the Third World itself. Not all, but substantial parts of it.

Many developing nations are willing to do much of what we are suggesting, Cerami and his group assure me. Some Latin American nations that had once considered our direct investments repugnant to their dignity now insist that partnership is the way they want to develop. Many of Africa's top officials have become mature and sophisticated leaders in a surprisingly short time after their independence. They no longer talk of being repaid for their hard past, but of looking ahead to a partnership in which our companies must be guaranteed fair treatment equal to their own nationals.

I think we are coming to the moment when all this will be apparent to the business leaders and voters of the United States, Canada, Europe—all the industrialized countries. The whole OECD group of advanced nations should be urged to take part. For the meshing of our present abilities and the Third World's potential can be a marriage made in heaven.

This sense of the Senate resolution is not about foreign aid. It is about hardheaded investment and growth. Nothing in Cerami's plan will require huge government outlays or any great new bureaucracy. The institutions are already in place. All we need is to give the clear signal that tells business to start. The leader of some advanced country is going to do it. I hope it will be ours. Then what a decade the 1990's can become.

SENATE RESOLUTION 207—WEL-COMING THE OPENING OF THE BERLIN WALL AND CALL-ING FOR ITS COMPLETE DE-STRUCTION

Mr. MITCHELL (for himself, Mr. Dole, Mr. Levin, Mr. Helms, Mr. Simon, and Mr. Wirth) submitted the following resolution; which was considered and agreed to:

S. RES. 207

Whereas, since the end of World War II, the United States and the Western allies have been committed to a free Berlin;

Whereas the Berlin airlift, which symbolized that commitment, successfully ended the Soviet blockade of Berlin in 1949;

Whereas the Berlin Wall was created to blockade the eastern half of Berlin and has stood as a symbol of oppression and denial of basic human freedom for 28 years;

Whereas the people of Berlin have struggled heroically against this artificial division of their city, and numerous East Berliners lost their lives while attempting to escape their section of the city;

Whereas free travel between East and West Berlin was permitted beginning on November 9, 1989, and now the Berlin Wall has been opened in several places; and

Whereas at least two million East Germans have crossed to West Berlin during the first few days that the Wall has been opened: Now, therefore, be it

Resolved, That the Senate-

(1) welcomes the opening of the Berlin Wall as symbolic of the beginning of the process of reform taking place in the German Democratic Republic (East Germany) and throughout Eastern Europe;

(2) commends the people of Berlin for their desire for freedom, their courage and dignity, and their role in bringing about the

opening of the Wall;

(3) urges the Government of the German Democratic Republic (East Germany) to make permanent the freedom to travel, to permit the formation of political parties, and to hold free elections; and

(4) calls upon the Soviet and East German authorities to remove and destroy the

Berlin Wall.

AMENDMENTS SUBMITTED

NATIONAL AFFORDABLE HOUSING ACT

WIRTH (AND HEINZ) AMENDMENT NO. 1107

(Ordered referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. WIRTH (for himself and Mr. Heinz) submitted an amendment intended to be proposed by them to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase home ownership, and for other purposes; as follows:

On page 16, between lines 9 and 10, insert the following:

(3) providing for expaned homeownership opportunities by creating mortgage finance incentives that encourage energy-efficient homes.

On page 21, after line 26, insert the following:

SEC. 203. UNIFORM ENERGY EFFICIENT MORTGAGE POLICY.

The Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall within two years of the passage of the National Affordable Housing Act (NAHA), promulgate a uniform plan to make housing more affordable through mortgage financing incentives for energy efficiency. To develop this plan, the Secretary shall form a task force to make recommendations on financing energy efficiency in private mortgages, through the policies of federal agencies and federally chartered institutions. The task force shall include federal home mortgage insurance and guarantor agencies, federally chartered financial institutions, mortgage bankers, homebuilders, real estate brokers, private mortgage insurers, energy suppliers, and nonprofit housing and energy organizations.

On page 30, between lines 14 and 15, insert the following:

(F) (if newly constructed) meets energy efficiency standards determined by the Secretary; the Secretary shall within one year of passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, the Secretary shall create a task force composed of homebuilders, National, state and local housing agencies including public housing authorities, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

On page 32, after line 23, insert the fol-

(5) (if newly constructed) meets energy efficiency standards determined by the Secretary; the Secretary shall within one year of the passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, the Secretary shall create a Task Force composed of homebuilders, national, state and local housing agencies including public housing authorities, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

On page 59, between lines 3 and 4, insert the following:

(7) improve the ability of States, units of local government, nonprofit community housing development organizations, private lenders and for-profit developers of low-income housing to incorporate energy efficiency into the planning, design, financing, construction, and operation of affordable housing.

On page 60, line 17, between "supply of" and "affordable" insert the following: "energy-efficient,".

On page 123, line 9, following "special project account.", insert the following: "Owners who add energy efficiency features beyond minimum standards that reduce gross rent requirements shall be entitled to retain 75 percent of the savings.".

On page 151, line 11, following "special project account.", insert the following: "Owners who add energy efficiency features beyond minimum standards that reduce gross rent requirements shall be entitled to retain 75 percent of the savings.".

On page 197, between lines 17 and 18, insert the following:

(6) to reduce the cost of operating assistance to public and Indian housing by improving the energy efficiency of the housing stock."

On page 199, between lines 22 and 23, insert the following:

(iv) meet energy efficiency standards determined by the Secretary; the Secretary shall within one year of the passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, and to ensure their incorporation in federally assisted housing, the Secretary shall create a task force composed of national, state and local housing agencies including public housing authori-

ties, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

On page 204, between lines 16 and 17, insert the following:

(C) The Secretary of Housing and Urban Development shall reduce energy costs in public housing authorities by accelerating the implementation of HUD policies encouraging use of private energy service companies, pursuant to Section 118(a) of the Housing and Community Development Act of 1987. This shall be accomplished by providing technical assistance to local housing authorities, and by creating five projects that demonstrate the energy cost reduction opportunities for public housing authorities through energy services contracts. These demonstration projects shall be established within one year of the passage of this Act. The results of the demonstration projects shall be disseminated to other public housing authorities. The Secretary shall, within 90 days of the passage of this Act, form a task force composed of HUD staff and outside housing and energy efficiency organizations, charged with carrying out this initia-

• Mr. WIRTH. Mr. President, making housing more affordable and cleaning up the environment are top priorities for the Nation. I believe that energy efficiency can and must be part of the solution to both of these issues. In short, I believe that good energy policy can be good housing policy, good environmental policy, and good economic policy.

Despite our tremendous wealth, the United States is beset by the shame of homelessness and high housing costs are squeezing young people from the marketplace and from a piece of the American dream. But because energy costs are a major portion of the monthly housing bill, reducing these costs can make housing more affordable. Research indicates that after rent and mortgage payments, energy represents 20 percent of the cost of housing. And the energy we waste results in unnecessary fossil fuel combustion-the driving force behind local air pollution and the global warming threat.

If we can reduce the cost of providing energy services in the housing sector, we can make housing more affordable and help cut atmospheric pollution.

In addition, cost-effective energy efficiency measures can cut our national housing bill by \$25 billion annually. The Alliance to Save Energy estimates that these steps could allow 250,000 families to become homeowners for the first time and that another 2 million people—mostly low-income renters—could pay their monthly housing bill. In the process, we can save the equivalent of 400 million barrels of oil.

For many years, the alliance has been working with the home builders, the Mortgage Bankers Association, the realtors, the insulation industry and a variety of other energy concerns to craft an ambitious, but practical, set of

policy proposals that will allow us to realize the benefits of energy efficiency in the housing sector. I believe these amendments will draw all parties, the private sector, public housing authorities, HUD and the mortgage lending institutions, into a joint effort to improve housing affordability and prevent wasteful energy use and unnecessary pollution.

Affordable housing and energy efficiency are now at the forefront of the public policy agenda. Affordable housing is a national crisis: the shame of homelessness and the squeeze on home ownership remain realities despite this Nation's tremendous wealth. Today, many of our children are finding it difficult to own a home—even with two incomes. Young people that are able to afford their first home, must buy them further and further away from the urban centers and the workplace.

Energy efficiency is also a pressing issue-for our energy security, our international competitiveness and for the environmental crisis that is unfolding around the world. It is now clear that the Earth's atmosphere cannot benignly absorb the increasing levels of carbon dioxide released by man's burning of fossil fuels. From acid rain to global warming, we have come to understand that energy policy is the essential component of environmental policy. Indeed, environmental policy is driving energy policy and will continue to do so for the foreseeable future.

The ingredients of an energy efficient home are well known and commercially available: better insulation, radiant barriers, more efficient heat pumps, and high efficiency appliances. Unfortunately, these features are not being built into many of today's homes. High initial costs and the failure of mortgage insurance procedures to account for energy efficiency are the primary impediments. And that is why we need to incorporate energy efficient measures into our national housing policy.

ASSISTANCE TO POLAND

HUMPHREY (AND HELMS) AMENDMENT NO. 1108

Mr. HUMPHREY (for himself and Mr. Helms) proposed an amendment to the bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland, as follows:

At the end of the committee substitute, add the following new section:

SEC. . CERTAIN USES OF EXCESS FOREIGN CUR-RENCIES.

(a) AUTHORITY TO USE.—During fiscal year 1990, the Administrator for title I of the

Foreign Assistance Act of 1961 may use, for the purposes described in subsection (b), such sums of foreign currencies described in subsection (c) as the Administrator may de-

(b) PURPOSES FOR WHICH CURRENCY MAY BE USED.-Foreign currencies may be used under this section

(1) for the same purposes for which assistance may be provided under title I of the Foreign Assistance Act of 1961, and

(2) for the support of any institution providing education for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members.)

(c) CURRENCIES WHICH MAY BE USED .-The foreign currencies which may be used under this section are United States-owned excess foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies for other purposes specified by law.

(d) WHERE CURRENCIES MAY BE USED. Foreign currencies may be used under this section in the country where such currencies are held or in other foreign countries.

(e) NONAPPLICABILITY OF OTHER PROVIsions of Law.-Foreign currencies may be used under this section notwithstanding section 1306 of title 31, United States Code, or any other provision of law.

(f) LIMITATION.-Foreign currency made available under this section may not be used in any Communist country listed pursuant

to section 4201(d).

HUMPHREY (AND OTHERS) AMENDMENT NO. 1109

Mr. HUMPHREY (for himself, Mr. SIMON, Mr. HELMS, and Mr. DOLE) proposed an amendment to the bill S. 1582, supra, as follows:

In the committee substitute, strike section 803 and insert in lieu thereof the following: SEC. 803, CESSATION OF AID.

(a) Funds provided under this act shall cease to be available to Poland if the President of Poland, or any other Polish official. initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion or of any member of the Senate a Seim is removed from office or arrested through extra constitutional processes.

(b) Funds provided under this act for Hungary shall cease to be available if the President of Hungary, or any Hungarian official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or of any member of the Hungarian National Assembly is removed from office or arrested through extra constitu-

tional processes.

BENTSEN (AND SIMON) AMENDMENT NO. 1110

Mr. SIMON (for Mr. BENTSEN, for himself and Mr. Simon) proposed an amendment to the bill S. 1582, supra, as follows:

On page 25, beginning with line 18, strike out all through line 22, and insert the following:

ELIGIBILITY OF POLAND FOR GENERALIZED SYSTEM OF PREFERENCES

SEC. 311. Subsection (b) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462(b)) is

amended by striking out "Poland" in the table within such subsection.

McCONNELL AMENDMENT NO. 1111

Mr. McCONNELL proposed an amendment to the bill S. 1582, supra. as follows:

At the end of the committee substitute:

The Secretary of Commerce and the Secretary of Energy shall establish a task force to analyze the current supply and demand situation of coal in the Soviet Union. The analysis will include, but not be limited to:

the causes of labor unrest in the Soviet coal industry and the impact of that unrest, of mining productivity, and of the transportation system in the Soviet Union on domestic coal production in that country:

the impact of increased industrialization and winter weather on Soviet coal demand; the likelihood of a shortfall between do-

mestic supply and demand;

the feasibility of meeting any shortfall which might occur with United States coal; the feasibility of coal from other countries meeting any shortfall which might occur;

steps which must be taken to enable United States coal to compete with other countries to meet any shortfall which might occur.

The task force shall report their findings to Congress within 45 days of enactment of this Act.

KERRY AMENDMENT NO. 1112

Mr. KERRY proposed an amendment to the bill S. 1582, supra, as fol-

On page 8, line 23, insert "and environmentally sound natural resource management" after "principles"

On page 35, between 12 and 13, insert the following:

(a) PRIORITY FOR THE CONTROL OF POLLU-TION.—The Congress recognizes the severe pollution problems affecting Poland and Hungary and the serious health problems which ensue from such pollution. The Congress therefore directs that a high priority be given in the implementation of assistance Poland and Hungary to the control of pollution and the restoration of the natural resource base on which a sustainable. healthy economy depends.

On page 35, line 13, strike out "(a)" and

insert in lieu thereof "(b)"

On page 36, line 1, strike out "(b)" and insert in lieu thereof "(c)"

On page 36, line 9, strike out "(c)" and insert in lieu thereof "(d)"

On page 36, line 16, strike out "(d)" and insert in lieu thereof "(e)"

On page 36, line 17, strike out "(a), (b), and (c)" and insert in lieu thereof "(b), (c), and (d)".

On page 36, line 22, strike out "(e)" and insert in lieu thereof "(f)"

On page 38, lines 13 and 14 insert the fol-

(g) DEPARTMENT OF ENERGY ACTIVITIES.

PRIORITY FOR EFFICIENT ENERGY USE.-In view of the high energy usage per unit of output in Hungary and Poland, the Secretary of Energy shall give high priority to assisting officials of Poland and Hungary in improving the efficiency of their energy use, through emphasis on such measures as efficient motors, lights, gears, and appliances and improvements in building insulation and design.

INVESTMENTS (h) ALTERNATIVE ENERGY.-It is the sense of the Congress that the Administration should work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River.

SYMMS AMENDMENT NO. 1113

Mr. HELMS (for Mr. Symms) proposes an amendment to the bill S. 1582, supra, as follows:

At the appropriate place, add the following: "Funds provided through the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans (ESOP's).".

DOLE (AND SIMON) AMENDMENT NO. 1114

Mr. DOLE (for himself and Mr. SIMON) proposes an amendment to the bill S. 1582, supra, as follows:

On page 7, after line 2, insert the following new section:

SEC. 4. OBJECTIVES OF UNITED STATES AS-SISTANCE.-In order to ensure that United States assistance to Poland and Hungary supports the development of economic freedom and opportunities for the people of those countries, the objectives of the United States assistance to Poland and Hungary shall be the realization of the following rights by the citizens of Poland and Hunga-

(1) SECURITY OF PROPERTY AND CONTRACT .-The right to legally acquire private property in all its forms, including secure legal

title to land.

(2) A REGULATORY SYSTEM WHICH FACILITI-TATES ENTREPRENEURIAL ACTIVITY.-Freedom from onerous regulations which have forced economic and entrepreneurial activity into the informal, or unregistered, economy should be eliminated.

(3) DISMANTLING OF WAGE AND PRICE CON-TROLS.-A market for Polish and Hungarian industries and goods that is not distorted by government-mandated wages or prices.

(4) An open trade policy.-Freedom from market-distorting restrictions or subsidies

on imports and exports.

(5) LIBERALIZATION OF INVESTMENT AND CAP-ITAL FLOWS.-Freedom from limitations on ownership of productive enterprises by both domestic and foreign investors, as well as freedom from restrictions on removal of foreign or domestic capital from Poland and Hungary.

(6) PRIVATIZATION OF THE STATE SECTOR.-The ignition of activity by Polish and Hungarian investors and entrepreneurs should be facilitated through the privatization of government enterprises.

(7) Pro-growth tax policy.—Encourage pro-growth tax policies which provide incentives for economic activity and investment.

(8) DEVELOPMENT OF A PRIVATE BANKING STRUCTURE.-Secure rights to own and operate banks and other financial service firms, as well as unrestricted access to private sources of credit.

(9) INDIVIDUAL INVESTMENT IN THE PRIVATE SECTOR.-Access to financial instruments through which individuals may invest in the private sector, and

at line 15. page 13. strike "\$320,000,000" and insert in lieu thereof '\$260,000,000" and

On page 13, at line 18, strike "\$80,000,000" and insert in lieu thereof "\$65,000,000" and At the end of section 201, add the follow-

ing new paragraph:

"() INELIGIBILITY OF CERTAIN ENTITIES.— Neither the Polish-American Enterprise Fund, the Hungarian-American Enterprise Fund, nor the Overseas Private Investment Corporation shall finance or include in any of its programs any venture, project or enterprise which:

(1) has, individually or in combination, more than 20 percent of ownership, control, or equitable interest by the Polish or Hungarian government, the communist party of Poland or Hungary, or any entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary, or high officials thereof;

(2) has a Board of Directors more than 20 percent of whom are high officials of the respective governments or communist parties

of Poland or Hungary:

(3) has been established by any organization or entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary:

(4) is required to accede to the rules of the Council for Mutual Economic Assistance."

and

On page 20, at line 1, after "(1)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 13, after "(2)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 15, strike "." and insert in lieu thereof the following new language:

", provided that a volunteer under this authority shall not be deemed to be an employee of the United States except for the purposes of—

(A) the tort claims provisions of title 28,

United States Code, and

(b) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries." and

On page 27, at line 7, strike Section 304 in

its entirety and

On page 34 at line 20, add the following new section:

"SEC. 403. EDUCATIONAL AND CULTURAL EX-CHANGES.

(a) OBJECTIVE.—It is the sense of the Congress that the President should—

(1) encourage privately administered educational and cultural exchanges between the people of the United States and the people of Poland and the people of the United States and the people of Hungary; and

(2) consider the establishment of reciprocal cultural centers in Poland and the United States and in Hungary and the United States to facilitate government and privately funded cultural exchanges.

(b) AUTHORIZATION OF EXCHANGES.—Of the amounts authorized for educational and cultural exchanges administered by the United States Information Agency, not to exceed \$2,000,000 in fiscal year 1990 and not to exceed \$4,000,000 in fiscal year 1991 shall be available for activities in Poland and Hungary." and

On page 34, at line 22, strike Section 501 in its entirety and insert in lieu thereof the

following new section:

"SEC. 501. ASSISTANCE IN SUPPORT OF DEMOCRAT-IC INSTITUTIONS AND ACTIVITIES IN POLAND AND HUNGARY.

(a) AUTHORIZATION OF ASSISTANCE.—Notwithstanding any other provision of law, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) \$12,000,000 for the three-year period which began October 1, 1989, which shall be available only for the support of democratic institutions and activities in Poland and Hungary, of which:

(1) \$2,000,000 shall be available in each such fiscal year only for the unconditional support of activities and institutions in Poland, which institutions shall

 (A) include all major non-communist political and social formations;

(B) not include among its membership any member of the Polish United Workers Party (or its equivalent, under whatever name the communist party of Poland may be known);

(2) \$2,000,000 shall be available in each such fiscal year only for the unconditional support of democratic activities and institutions in Hungary, which institutions shall—

(A) include all major non-communist political and social formations:

(B) not include among its membership any member of the communist party of Hungary (or its equivalent, under whatever name the

communist party of Hungary may be known)." and

On page 35, at line 11, strike Section 502 in its entirety and insert in lieu thereof the following new section:

"SEC. 502. ENVIRONMENTAL INITIATIVES FOR POLAND AND HUNGARY.

(a) Environmental Protection Agency Activities.—In addition to specific authorities contained in any of the environmental statutes administered by the Environmental Protection Agency, the Administrator of that Agency (hereinafter referred to as the "Administrator") is authorized to undertake such educational, policy training, research, and technical and financial assistance, monitoring, coordinating, and other activities as he may deem appropriate, either alone or in cooperation with other United States or foreign agencies, governments, or public or private institutions, in protecting the environment in Poland and Hungary.

(b) AUTHORIZATION OF TRANSFERS.—The Administrator of the Environmental Protection Agency is authorized to use up to \$6,000,000 in each of fiscal years 1990, 1991, and 1992 of funds appropriated under Title VI of the Clean Water Act to carry out the purposes of this Title. The Administrator may also use up to \$2,000,000 appropriated to the Environmental Protection Agency under any other authorizing statutes to carry out the purposes of this Title.

(c) ACTIVITIES IN POLAND.—The Administrator shall cooperate with Polish officials and experts on appropriate environmental

projects, including—

(1) establishment of an air quality monitoring network in the Krakow metropolitan area as a part of Poland's national air monitoring network; and

(2) improvement of both water quality and the availability of drinking water in the

Krakow metropolitan area.

(d) ACTIVITIES IN HUNGARY.—The Administrator shall work with other United States and Hungarian officials and private parties to establish and support a regional center in Budapest for facilitating cooperative environmental activities between governmental experts and public and private organizations from the United States and Eastern and Western Europe." and

On page 39 after line 6, insert the following new subsection:

(c) RESTRICTIONS.—No assistance provided to Poland under this section shall be used to perform, promote, or plan abortions; or to

support the Defense or security forces of any Warsaw Pact member country." and

On page 41 of the bill, after line 16, insert in lieu thereof the following new section:

"SEC. 702. POLICY OVERSIGHT.

(a) Oversight of all programs provided for in this Act, as well as all other activities of the United States government conducted to assist Poland, should be exercised by an interagency group to be chaired by the Vice President and to include the Director of the Office of Management and Budget, the Secretaries of State, Commerce, Treasury, Labor, Defense, Health and Human Services, and Housing and Urban Development, the Administrator of the Agency for International Development, and the Director of the United States Information Agency.

(b) Congress commends the President for agreeing to send a High Level Team of Experts to assess the dramatic transition taking place in Poland. The private and governmental experience of team members should result in the first comprehensive official review and analysis of the economic

situation in Poland.

(c) The interagency group referred to in subsection (a) shall consult with the Team of Experts, and make available its findings to Congress and the American people." and On page 41, line 17, change "Section 702"

to "Section 703".

On page 45, at line 13, strike "803" and insert in lieu thereof "804", and

On page 45, at line 12, after "pluralism." insert the following new section:

"SEC. 803. REPORT TO CONGRESS.

Not later than 90 days after the effective date of this Act, and every 180 days thereafter for three years, the President shall report to the Speaker of the House of Representatives and the President pro tempore of the Senate a comprehensive "Report on Democracy and Free Enterprise in Poland and Hungary", which shall include a full description of the progress made in Poland and Hungary toward—

(1) the implementation of economic policies designed to promote sustained economic growth, to develop economic freedom, and to increase opportunities for the people of Poland and Hungary, including but not limited to the reforms and policies set forth in

Section 2 of this Act;

(2) the adoption and pace of implementation of constitutional, legal, and administrative measures that limit the power of executive authorities and establish and protect the independence of the judiciary;

(3) the full elimination of all constitutional, legal, and administrative measures that favor any political party or inhibit the formulation and operation of independent political parties, groups, associations, or orga-

nizations;

(4) the adoption of constitutional, legal, and administrative measures designed to establish and protect fundamental human rights and civil liberties, including but not limited to, freedom of speech, freedom of the press, freedom of religion, the right of Polish and Hungarian citizens to work, to join, or to refuse to join trade unions or labor organizations, and other freedoms comparable to those found in other democratic countries:

(5) the reduction and elimination of industrial practices detrimental to the environment and particularly harmful to human

health;

(6) elections in which all parties are able to participate freely with equal opportunity to form governments based on popular support:

(7) the elimination of espionage activities by operatives of the governments of Poland and Hungary against the United States and its allies in the North Atlantic Treaty Organization." and

At the end of Title VIII, add the following new section:

"SEC. 865. TERMINATION OF ASSISTANCE TO POLAND AND HUNGARY UNLESS ARMS TRANSFERS AND SECURITY ASSISTANCE TO CUBA AND NICARAGUA CEASE.

(a) Three months after the effective date of this Act, the President shall terminate all assistance provided pursuant to this Act to Poland or Hungary, respectively, unless he certifies to the Speaker of the House of Representatives and the President pro tempore of the Senate that all arms transfers and security assistance, as defined in subsection (b) of this section, provided by that country to Cuba or Nicaragua, have ceased.

(b) For the purposes of this section, arms transfers and security assistance provided by Poland or Hungary to Cuba or Nicaragua shall include arms delivery, shipment, or transfer and security assistance in any form whatsoever, including but not limited to any provision or supply (whether by sale, grant, barter, or other arrangement) of weapons, weapons parts, ammunition, military vehi-cles or military aircraft or naval crafts or parts therefor; training of Cuban or Nicaraguan military, para-military, police, or other security personnel by Polish or Hungarian personnel; services of Polish or Hungarian military or security advisers in Cuba or Nicaragua; transport of other items described in this subsection, even if originating in a third country, by Polish-flag vessels Polish or Hungarian aircraft (including both military and civil craft) to Cuba or Nicaragua; or any extension of funds, credits, loans, barter for goods, or other arrangement providing for the transfer of arms or security assistance from a third country to Cuba or Nicaragua.

(c) If, subsequent to three months after the effective date of this Act, the President finds that arms transfers and security assistance to Cuba or Nicaragua, as defined in subsection (b), have been resumed by Poland or Hungary after a previous cessation, he shall terminate all assistance to that country pursuant to this Act." and

On page 10, at line 23, after "shortages" insert the following new language: "and specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly and children;".

MURKOWSKI AMENDMENTS NOS.

Mr. HELMS (for Mr. Murkowski) proposed two amendments to the bill S. 1582, supra, as follows:

AMENDMENT No. 1115

On page 7, line 17, Subsection 101(a), add a new subsection (2):

"(2) to the extent that the ongoing International Monetary Fund review of the Polish economy uncovers a probable balance of payments shortage for the fourth quarter of 1989, the United States Government should work closely with the European Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth quarter of 1989 and should consider extending a bridge loan to relieve immediate

and urgent balance of payments requirements through the authority provided in paragraph (3)(A) of this subsection:

On pages 7 and 8 renumber the remaining paragraphs of subsection 101(a) accordingly.

AMENDMENT No. 1116

On page 9, line 4, Subsection 101(b), add a new subsection (2):

"(2) The President, acting in coordination with the European Community, should call an urgent meeting of the industrialized democracies for the purpose of establishing a multilateral effort to respond to Poland's request for \$1 billion to support its economic stabilization program;

On page 9 renumber the remaining paragraphs of subsection 101(b) accordingly.

HEINZ AMENDMENT NO. 1117

Mr. HELMS (for Mr. Heinz) proposed an amendment to the bill S. 1582, supra, as follows:

At the appropriate place, insert the following new section:

"SEC. REPORT ON TECHNOLOGY TRANSFER TO POLAND AND HUNGARY

"Not later than 180 days after the enactment of this Act, the Secretary of State shall submit a classified report to Congress identifying the confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of those kinds of agreements, including but not limited to, bilateral customs and technology transfer agreements, that would encourage greater direct private sector investment in Poland and/or Hungary."

RIEGLE AMENDMENT NO. 1118

Mr. RIEGLE proposed an amendment to the bill S. 1582, supra, as follows:

Paragraphs (2) and (3) of section 101(a) of the amendment are amended by striking out "(2)" and "(3)" and inserting in lieu thereof, respectively, "(3)"; and "(4)".

Insert after section 101(a)(1) of the amendment the following new paragraph:

(2) the Secretary of the Treasury shall direct the United States Executive Director at the International Bank for Reconstruction and Development to—

(A) urge consideration of approval of up to \$1,000,000,000 in financing in each of the succeeding three years for disbursement over a feasible and appropriate period to Poland; and

(B) urge expeditious approval and disbursement of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export and agricultural subsidies and wage indexation.

In section 101(a) of the amendment, after paragraph (3) as redesignated insert the following new paragraph:

(4) the United States Government shall seek to coordinate within the Group of 7 at the earliest possible date and not later than January 1, 1990 the establishment of a reserve of \$1,000,000,000, to be made available through the International Monetary Fund contingent upon and in addition to an agreement between the Government of Poland and the Fund, for the purpose of facilitating implementation of key monetary reforms, including the achievement of international convertibility of the Polish currency.

At the end of section 101(a) of the amendment, add the following new paragraph;

(5) the United States Government, in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owed to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

SIMON AMENDMENT NO. 1119

Mr. SIMON proposed an amendment to the bill S. 1582, supra, as follows:

On page 3, line 2, of the amendment, strike out "(a)".

On page 3, line 17, of the amendment, insert "a" before "Board".

On page 10, line 15, of the amendment, strike out "Statees" and insert in lieu therefore "States".

On page 4, line 5 and 6, of the amendment, strike out "overseas private investment corporation" and insert in lieu thereof "Overseas Private Investment Corporation".

On page 25 of the amendment, strike out lines 11 through 16 an insert in lieu thereof the following:

SEC. 206. AID ADMINISTRATIVE EXPENSES.

For the purpose of paying administrative expenses incurred in connection with carrying out its functions under this Act, the Agency for International Development may use up to \$500,000 each fiscal year of the funds made available to the Agency under this Act.

On page 36, line 23, of the amendment, strike out "title VIII" and insert in lieu thereof "section 802".

On page 41, line 14, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 41, line 16, of the amendment, strike out "chapter" and insert in lieu there-of "Act".

On page 42, line 19, of the amendment, strike out "outlines" and insert in lieu thereof "outlined".

On page 22, line 19, insert the following: "(11) the Sabre Foundation;" and renumber the existing items accordingly.

ROTH AMENDMENT NO. 1120

The ROTH proposed an amendment, which was subsequently modified, to the bill S. 1582, supra, as follows:

On page 13, strike lines 15 through 17 and insert: "\$260,000,000 to support the Polish-American Enterprise, as designated pursuant to subsection (d), of which \$20,000,000 may be used to establish a financial investment for individuals to invest an additional \$100,000,000 or more in the Polish private sector."

ROTH AMENDMENT NO. 1121

The ROTH proposed an amendment, to the bill S. 1582, supra, as follows:

At an appropriate place in the bill, add the following new section:

Sense of the Senate regarding IMF quota increase. Given:

that the Administration has announced that it is considering committing to increase the resources of the International Monetary Fund and expects to decide on the increase over the next few weeks:

that such an increase could total \$7 billion or more, at a time when there may be higher budget priorities, such as assisting the dramatic changes taking place in Poland, Hungary and eastern Europe as a whole, or reducing our deficit; and

that the IMF provides short-term re-sources at a time when most countries, including the U.S., want to increase their long-term investment orientation.

It is the sense of the Senate that the Administration should not take any action at this time that would imply a commitment to increase or to propose an increase in the re-

sources of the IMF.

BENTSEN (AND SIMON) AMENDMENT NO. 1122

Mr. BENTSEN (for himself and Mr. SIMON) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of title VII, insert:

- . CERTAIN POLISH BONDS NOT SUBJECT TO RULES RELATING TO BELOW-MARKET LOANS.
- (a) In General.—Paragraph (5) of section 1812(b) of the Tax Reform Act of 1986 is amended-
- (1) by inserting "or Poland" after "Israel" in the text thereof, and
- (2) by inserting "or Polish" after "Israel" in the heading thereof.
- (b) Effective Date.-The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SIMON (AND DOLE) AMENDMENT NO. 1123

Mr. SIMON (for himself and Mr. DOLE) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of section 502, add the following subsection:

- (e) CONTENTS OF REPORT.—The report required by title VIII shall include the following:
- (1) ASSESSMENT OF PROBLEMS.—An overall assessment of the environmental problems facing Poland and Hungary, including-

(A) a relative ranking of the severity of the problems and their effects on both human health and the general environment;

- (B) a listing of the geographical areas of each country that have suffered the heaviest environmental damage, and a description of the source and scope of the damage; and
- (C) an assessment of the environmental performance of leading industrial polluters in those countries and the expected effect on pollution levels of industrial modernization:
- (2) PRIORITIES AND COSTS FOR ACTION.-An analysis of the priorities each country should assign in addressing its environmental problems, and an estimate of the capital and human resources required to undertake a comprehensive program of environmental protection:

(3) Role of united states and multilater-AL ASSISTANCE.—A statement of strategy for United States assistance for the next five years in Poland and Hungary, including-

recommendations for appropriate levels and forms of bilateral financial and technical assistance:

(B) recommendations concerning United States participation in cooperative multilateral undertakings;

(C) an assessment of the feasibility of debt-for-nature swaps as a technique of environmental protection in each country; and

(D) recommendations for minimizing further environmental damage to Krakow, and for the protection and restoration of historic sites in that city.

WALLOP AMENDMENT NO. 1124

(Ordered to lie on the table.)

Mr. WALLOP submitted an amendment intended to be proposed by him to the bill S. 1582, supra, as follows:

Add at the end, the following new section: SEC. ACTIONS OF POLISH INTELLIGENCE SERV-ICES.

(a) REPORT REQUIRED.-Not later than 90 days after the date of enactment of this Act. the President, after consultation with the Secretary of Defense, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence, shall submit to the Congress a report regarding the actions of Polish intelligence services against the United States, including-

(1) the extent to which the intelligence services of the Government of Poland are engaged in espionage activities designed to obtain military and industrial technology or

secrets:

(2) the extent to which the intelligence services of the Government of Poland are engaged in surveillance, spying, reporting on, or harassing members of the American-Polish community, in particular, those members of that community that were supporting Solidarity in Poland; and

(3) the extent to which the information, technologies and secrets they obtain are made available to other Warsaw Pact allies,

including the Soviet Union.

(b) RESTRICTION ON ASSISTANCE.—Assistance under this Act, including benefits under the General System of Preference and assistance from the Overseas Private Investment Corporation, but excluding food assistance, shall cease to be available to the Government of Poland unless the President certifies not later than 120 days after the date of enactment of this Act, and each 180 days thereafter, that the intelligence services of the Government of Poland, have ceased participating in or facilitating the conduct of espionage activities designed to illegally obtain United States military and industrial technology or secrets or active surveillance of and reporting on the activities of Americans of Polish descent.

SIMON AMENDMENT NO. 1125

Mr. SIMON proposed an amendment to the bill S. 1582, supra, as follows:

On page 15, after line 13, add the follow-

(6) FINANCIAL INSTRUMENTS FOR INDIVIDUAL INVESTMENT.-The President shall ensure that Enterprise Funds undertake all possible efforts to establish financial instruments that will enable individuals to invest in the private sectors of Poland and that will thereby have the effect of multiplying the impact of United States grants to each

HELMS AMENDMENT NO. 1126

Mr. COCHRAN (for Mr. HELMS) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of the committee amendment,

add the following new section:

. The United States Government "SEC. shall not assist any missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria, or Libya, and has provided reasonable assurances that no future sales of missiles or missile technology to such countries are planned.".

TEMPORARY REDUCTION OF CAPITAL GAINS TAX FOR NON-CORPORATE TAXPAYERS

PACKWOOD AMENDMENT NO. 1127

(Ordered to lie on the table.)

Mr. PACKWOOD submitted amendment intended to be proposed by him to the bill (H.R. 3628) to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—CAPITAL GAINS PROVISIONS Subtitle A-Reduction in Capital Gains Tax

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.

"(1) In general.-If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the applicable percentage of the net capital gain

shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

APPLICABLE PERCENTAGE.-For purposes of this subsection-

"(1) In general.-The applicable percentage shall be the percentage determined in accordance with the following table:

	The applicable
"In the case of:	percentage is:
1-year gain	5
2-year gain	10

3-year gai	in	15
	in	20
5-year gai	in	25
	in	30
	in	35

"(2) QUALIFIED VENTURE CAPITAL STOCK.—If for any taxable year a taxpayer has any qualified venture capital stock net capital gain, paragraph (1) shall be applied-

"(A) by substituting '40 percent' for the applicable percentage determined for such gain which is 4-year or 5-year gain, and

"(B) by substituting '50 percent' for the applicable percentage determined for such gain which is 6-year or 7-year gain.

"(c) GAIN TO WHICH DEDUCTION APPLIES .-For purposes of this section-

"(1) 1-YEAR GAIN.—The term '1-year gain' means the lesser of—

"(A) the net capital gain for the taxable

year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 1 year but not more than 2 years.

"(2) 2-YEAR GAIN, ETC .- The terms '2-, 3-, 4-, 5-, and 6-year gain' mean the amounts deter-

mined under paragraph (1)-

- "(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and
- "(B) by substituting 2, 3, 4, 5, or 6 years for 1 year and 3, 4, 5, 6, or 7 years for 2 respectively, in subparagraph (B) vears. thereof.

"(3) 7-YEAR GAIN.—The term '7-year gain' means the lesser of-

"(A) the net capital gain for the taxable year, reduced by 1-, 2-, 3-, 4-, 5-, and 6-year

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 7 years.

"(4) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN .- For purposes of this subsec-

tion-

"(A) In general.-The term 'qualified venture capital stock net capital gain' means the lesser of-

"(i) net capital gain for the taxable year, or

- "(ii) the net capital gain for the taxable year determined by only taking into account gain or loss from sales or exchanges after October 1, 1989, of qualified venture capital
- "(B) QUALIFIED VENTURE CAPITAL STOCK. "(i) In general:-The term 'qualified ven-

ture capital stock' means stock which-"(I) is issued by a qualified venture capital

corporation after October 1, 1989, "(II) is first acquired (whether directly or

- through an underwriter) by the taxpayer, and
- "(III) is not issued in redemption of (or otherwise exchanged for) stock issued before October 2, 1989.

"(ii) QUALIFIED VENTURE CAPITAL CORPORA-TION .- For purposes of clause (i)-

"(I) In general.-The term 'qualified venture capital corporation' means a corporation the cost basis (determined under section 1012) of all of the assets of which immediately after the date of issuance described in clause (i) is less than \$20,000,000.

"(II) ACTIVE TRADE OR BUSINESS REQUIRE-MENT.-A corporation shall not be treated as a qualified venture capital corporation unless such corporation was engaged in the active conduct of a trade or business during the 5-year period ending on the date of issuance described in clause (i) (or if shorter its period of existence), and is so engaged immediately after such date.

(III) EXCEPTION FOR PERSONAL SERVICE CORPORATIONS.—The term 'qualified venture capital corporation' shall not include a personal service corporation (within the mean-

ing of section 269A(b)(1)).

"(5) SPECIAL RULES FOR PASS-THRU ENTI-

"(A) In general.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED .- For purposes of subparagraph (A), the term 'pass-

thru entity' means-

(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation, "(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(6) SPECIAL RULES FOR CARRYOVERS, ETC.-

"(A) CERTAIN CARRYOVERS.-For purposes

of this subsection-

"(i) any amount treated as a loss under section 1212(b) for any taxable year beginning after October 1, 1989, shall be treated as a loss from a sale or exchange occurring after such date, and

"(ii) any such loss described in section 1212(b)(1)(B) shall be treated as a loss from the sale or exchange of a capital asset held for more than 1 year but not more than 2 vears.

A similar rule shall apply to any loss carried such a taxable year under section 465(a)(2) or 469(b).

"(B) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.-For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year-

"(i) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such

taxable year, and

"(ii) the amount so allocated to any such gain shall reduce the amount of such gain.

(7) ORDERING RULES.—This section shall be applied separately (and in the following order) with respect to the following net capital gain:

"(A) Qualified venture capital stock net capital gain.

(B) Net capital gain determined by taking into account only gain or loss from the sale or exchange of assets the holding period of which begins after October 1, 1989.

(b) TREATMENT OF COLLECTIBLES.

(1) In general.-Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

(12) SPECIAL RULE FOR COLLECTIBLES.-

"(A) In general.-Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF IN-TEREST IN PARTNERSHIP, ETC.-For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) Collectible.-For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to

paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED .-(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles).

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special

rule for collectibles)".

(c) MINIMUM Tax.-Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(F) CAPITAL GAINS DEDUCTION DISALLOW-ANCE.—The deduction under section 1202 shall not be allowed."

(d) Passive Activity.-Subsection (j) of section 469 (relating to special rules for passive activities) is amended by adding at the end thereof the following new paragraph:

"(13) COORDINATION WITH SECTION 1202 .-In the case of the disposition of any interest in a passive activity, any gain from such interest shall be reduced by the amount of any unused deduction or credit allocable to such interest before such gain is taken into account in computing the net capital gain of the taxpayer."

(e) Conforming Amendments.

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.-The de-

duction allowed by section 1202."

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment"

(3)(A) Section 170(e)(1)(B) is amended by inserting "the nondeductible percentage"

before "the amount of gain".

- (B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent minus the deduction equivalent of the applicable percentage of section 1201
- (4)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAY-ERS OTHER THAN CORPORATIONS.-In the case of a taxpayer other than a corporation-

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section

1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(5)(A) Section 221 (relating to cross reference) is amended to read as follows: "SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

'(2) For deductions in respect of a dece-

dent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references

(6) Paragraph (4) of section 642(c) is

amended to read as follows:

- "(4) ADJUSTMENTS .- To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."
- (7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account.

(8) Paragraph (4) of section 691(c) is amended by striking "1201, and 1211" and

inserting "1201, 1202, and 1211".

(9) The second sentence of paragraph (2) of section 871(a) is amended by inserting such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that"

(10) Section 1402(i)(1) is amended to read

as follows:

"(1) IN GENERAL.-In determining the net earnings from self-employment of any options dealer or commodities dealer-

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section

1202 shall not apply.'

(11)(A) Sections 7518(g)(6)(A) is amended

by striking the last sentence.

(B) Section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking the last sentence.

(f) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpavers.

(g) EFFECTIVE DATE .-

(1) In general.—The amendments made by subsections (a) and (c) shall apply to taxable years ending after October 1, 1989.

(2) TREATMENT OF COLLECTIBLES .-

(A) In general.—The amendment made by subsection (b) shall apply to taxable years

beginning after October 1, 1989.

(B) SPECIAL RULE FOR 1989 TAXABLE YEAR. In case of any taxable year which includes October 1, 1989, for purposes of sections 1201 and 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible shall (within the meaning of section 1222(12) of such Code) be treated as gain or loss from a sale or exchange occurring on or before October 1, 1989.

SEC. 102. NET CAPITAL GAIN NOT TAKEN INTO AC-COUNT UNDER PHASEOUT OF 15-PER-CENT RATE AND PERSONAL EXEMP-

(a) GENERAL RULE.—Subparagraph (A) of section 1(g)(1) is amended to read as fol-

"(A) taxable income reduced by the excess (if any) of-

"(i) the qualified net capital gain, over

"(ii) the deduction allowed under section 1202. over"

(b) QUALIFIED NET CAPITAL GAIN -Subsection (g) of section 1 is amended by adding at the end thereof the following new paragraph:

"(5) QUALIFIED NET CAPITAL GAIN.-The term 'qualified net capital gain' means the

lesser of-

"(A) the net capital gain for the taxable

vear, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from sales or exchanges after October 1, 1989.

For purposes of the preceding sentence, the rules of paragraphs (4) and (5) of section 1202(c) shall apply."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after October 1, 1989.

SEC. 103. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 prop-

erty is disposed of, the lesser of-

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of-

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property. shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this

subtitle.

- DEPRECIATION ADJUSTMENTS .purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."
- (b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended-
- (1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)", and
- (2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS -

(1) Subparagraph (E) of section 1250(d)(4) is amended-

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "Additional depreciation" in the subparagraph heading and inserting

'DEPRECIATION ADJUSTMENTS" (2) Subparagraph (B) of section 1250(d)(6)

is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.-In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which sec-

tion 751(b) applied.

(3) Subparagraph (D) of section 1250(d)(8) is amended-

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments" and

(B) by striking "Additional depreciation" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS"

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.-For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction.

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesig-

nating subsections (h) and (i) as subsections (e) and (f), respectively. (7) Paragraph (5) of section 48(q) is

amended to read as follows:

"(5) RECAPTURE OF REDUCTION.-For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation.

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)"

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection

(e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.-For pur-

poses of sections 1245 and 1250-

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depre-

- (11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)"
- (d) Effective Date.-The amendments made by this section shall apply to dispositions after October 1, 1989, in taxable years ending after such date.

Subtitle B-Alternative Capital Gains Rate for Corporations

SEC. 111. ALTERNATIVE CAPITAL GAINS RATE FOR CORPORATIONS.

(a) In General.-Section 1201 is amended to read as follows:

"SEC. 1201. ALTERNATIVE TAX FOR CORPORATIONS.

"(a) GENERAL RULE.—If, for any taxable year, a corporation has an applicable net capital gain, then, in lieu of the tax imposed by sections 11, 511, and 831 (a) or (b), there is hereby imposed a tax (if such tax is less than the tax imposed) in an amount equal to the sum of-

"(1) a tax computed on the taxable income reduced by the sum of the applicable net capital gain, at the rate and in the manner as if this subsection had not been

enacted, plus

"(2) a tax equal to the applicable percentage of the applicable net capital gain.

"(b) APPLICABLE PERCENTAGE.-For pur-

poses of this section-

"(1) In general.-The applicable percentage shall be the percentage determined in accordance with the following table:

T	ne applicable
"In the case of:	ercentage is:
3-year gain	33
6-year gain	32
9-year gain	31
12-year gain	30
15-year gain	29.
W0.0	

"(2) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN .- Paragraph (1) shall be applied by substituting '29 percent' for the applicable percentage with respect to 6-year, 9year, and 12-year gain.

"(c) TERMS RELATING TO GAIN .- For pur-

poses of this section-

"(1) APPLICABLE NET CAPITAL GAIN.-The term 'applicable net capital gain' means 3-, 6-, 9-, 12-, or 15-year gain. "(2) 3-year gain.—The term '3-year gain

means the lesser of-

"(A) the net capital gain for the year, or "(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 3 years but not more than 6 years.

"(3) 6-YEAR GAIN, ETC .- The terms '6-, 9-, and 12-year gain' mean the amounts deter-

mined under paragraph (2)-

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 6, 9, or 12 years for 3 years and 9, 12, or 15 years for 6 years, respectively, in subparagraph (B) thereof.

"(4) 15-YEAR GAIN.—The term '15-year

gain' means the lesser of-

"(A) the net capital gain for the taxable year, reduced by the 3-, 6-, 9-, and 12-year

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 15 years.

"(5) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—The term 'qualified venture capital stock net capital gain' has the meaning given such term by section 1202.

"(6) SPECIAL RULE.—For purposes of this subsection, the rules of paragraphs (4), (5), and (6) of section 1202(c) shall apply

'(d) Cross References.-For computation of the alternative tax-

'(1) in the case of life insurance companies, see section 801(a)(2).

"(2) in the case of regulated investment companies and their shareholders, see section 852(b)(3) (A) and (D), and

"(3) in the case of real estate investment

trusts, see section 857(b)(3)(A)."

(b) Conforming Amendment.—Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "66 percent (or in the case of applicable net capital gains, 100 percent minus the applicable percentage under section 1201(b))"

EFFECTIVE DATE.-The amendments made by this section shall apply to taxable years ending after October 1, 1989.

Subtitle C-Indexing of Certain Assets for Purposes of Determining Gain

SEC. 121. INDEXING OF CERTAIN ASSETS FOR PUR-POSES OF DETERMINING GAIN.

(a) In General.-Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE .-

"(1) INDEXED BASIS SUBSTITUTED FOR AD-JUSTED BASIS.—If an individual elects not to have the provisions of section 1201 apply for any taxable year, then, solely for purposes of determining gain on the sale or other disposition during such taxable year by such individual of an indexed asset which has been held for more than 2 years, the indexed basis of the asset shall be substituted for its adjusted basis

(2) SPECIAL RULE FOR RECAPTURE GAIN.

"(A) In general.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

(B) RECAPTURE GAIN .- For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.

"(1) In general.-For purposes of this section, the term 'indexed asset' means-

'(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein).

which is a capital asset or property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED .- For purposes of this section, the term 'indexed asset' does not include-

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.-Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.-Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.-In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.-

Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.-Stock in

an S corporation.

"(3) Exception for stock in foreign cor-PORATION WHICH IS REGULARLY TRADED ON NA-TIONAL OR REGIONAL EXCHANGE.-Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than-

(A) stock of a foreign investment company (within the meaning of section 1246(b)),

(B) stock in a passive foreign investment company (as defined in section 1296), and (C) stock in a foreign corporation held by

a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS .- For purposes of this section-

"(1) INDEXED BASIS.-The indexed basis for any asset is-

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.-The applicable inflation ratio for any asset shall be determined by dividing-

"(A) the CPI for the calendar year preceding the calendar year in which the disposi-

tion takes place, by "(B) the CPI for the later of-

"(i) the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began, or "(ii) 1990.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest onehundredth.

"(3) Conventions.-For purposes of paragraph (2), if any asset is disposed of during any calendar year-

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPL—For purposes of this subsection the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES .-

"(1) In general.-In the case of a short sale of an indexed asset with a short sale period in excess of 2 years, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposi-

"(2) SHORT SALE OF SUBSTANTIALLY IDENTI-CAL PROPERTY.-If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT

TRUSTS.

"(1) ADJUSTMENTS AT ENTITY LEVEL.

"(A) In general.-Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) Exception for corporate sharehold-

ERS.-Under regulations-

"(i) in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation-

'(I) the determination of whether such distribution is a dividend shall be made without regard to this section, and

(II) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section, and

"(ii) there shall be other appropriate adjustments (including deemed distributions) so as to ensure that the benefits of this section are not allowed (directly or indirectly) to corporate shareholders of qualified in-

vestment entities.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) Exception for qualification pur-POSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IM-POSED AT ENTITY LEVEL .-

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.-If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(i)(II). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under

section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.

"(A) In general.-Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

'(B) RATIO OF 90 PERCENT OR MORE.-If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

(C) RATIO OF 10 PERCENT OR LESS .- If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.-Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'quali-

fied investment entity' means-

'(A) a regulated investment company (within the meaning of section 851), and

'(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES .-

"(1) PARTNERSHIPS.-

"(A) In general.-In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is

in effect-

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

'(2) S corporations.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

'(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

(g) DISPOSITIONS BETWEEN RELATED PERsons.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in

the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) Transfers To Increase Indexing Ad-JUSTMENT.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is to secure or increase an adjustment under subsection (a), the Secretary may disallow part or all of such adjustment or increase.

"(i) Special Rules.—For purposes of this

section-

"(1) TREATMENT AS SEPARATE ASSET.-In the case of any asset, the following shall be treated as a separate asset:

(A) A substantial improvement to proper-

ty.
"(B) In the case of stock of a corporation, a substantial contribution to capital.

(C) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) Assets which are not indexed assets THROUGHOUT HOLDING PERIOD .- The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED .- The term 'net lease property' means leased prop-

erty where-

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the pur-

poses of this section."

(b) Gains and Losses From Indexed ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.-Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sen-

'Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 2 years shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) Repeal of Section 1(j) .-

(1) In general.—Subsection (j) of section 1 is hereby repealed.

(2) CONFORMING AMENDMENTS .-

(A) Paragraph (4) of section 691(c) is amended by striking "1(j)".

(B)(i) Subparagraph (B) of section 904(b)(2) is amended by striking so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULE WHERE CORPORATE CAP-ITAL GAIN RATE DIFFERENTIAL.—In the case of a corporation for any taxable year for which there is a capital gain rate differential-

(ii) Subparagraph (D) of section 904(b)(3) is amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL .-There is a capital gain rate differential for any taxable year in the case of a corporation if any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1))."

(iii) Subparagraph (E) of section 904(b)(3) is amended by striking clauses (ii) and (iii)

and inserting the following:

"(ii) HIGHEST APPLICABLE TAX RATE.—For purposes of clause (i), the term 'highest applicable tax rate' means the highest rate of tax specified in section 11(b).

"(iii) ALTERNATIVE TAX RATE.—For purposes of clause (i), the term 'alternative tax rate' means the alternative rate of tax under sec-

tion 1201(a).'

(d) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain."

(e) EFFECTIVE DATE -

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to any disposition of property in any taxable year beginning after December 31, 1991.

(2) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable years beginning after December 31,

1989.

TITLE II—INDIVIDUAL RETIREMENT PLUS ACCOUNTS

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIRE-MENT PLUS ACCOUNTS.

(a) In General.—Subpart A of part I of subchapter D of chapter I (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual re-

tirement plan.

"(b) Individual Retirement Plus Account.—For purposes of this title, the term individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) Contribution Rules .-

"(1) No DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.-

"(A) In general.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subpara-

graph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement

plans

"(B) \$1,000 INCREASE AFTER 1994.—In the case of any taxable year beginning after December 31, 1994, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by \$1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVID-UALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) \$2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

- "(4) LIMITATIONS ON ROLLOVER CONTRIBU-TIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—
- "(A) another individual retirement plus account, or
- "(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

- "(1) In GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.
- "(2) TREATMENT OF QUALIFIED DISTRIBU-TION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) In general.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59 1/2.

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual,

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)), or

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT AC-

"(A) In general.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of"(i) the date on which the individual attains age 55, or

"(ii) January 1, 1992,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED

AMOUNTS .-

- "(i) In GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—
- "(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to
- "(II) the aggregate balance of such plans.
 "(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBU-TION.—For purposes of this section—

"(1) In general.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(A) 25 percent of the sum of-

"(i) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(ii) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(B) the amount determined under subparagraph (A)(ii).

"(3) DISTRIBUTIONS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

- "(A) In general.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer from an individual retirement plan to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such individual.
- "(B) Basis reduction.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer by reason of this section.
- "(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of

any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVI-SIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied

before clause (i).

"(D) Special rule where delay in acquisition.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so

used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.-For purposes of this

paragraph-

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financ-

ing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning

as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is com-

menced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS.— For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year).

"(5) DISTRIBUTIONS FROM INDIVIDUAL RE-TIREMENT PLUS ACCOUNTS FOR EDUCATIONAL

EXPENSES .-

"(A) In general.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EX-PENSES.—For purposes of subparagraph (A)— "(i) In GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.

"(f) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4),

403(b)(8), and 408(d)(3).

"(g) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins."

(b) MINIMUM Tax.—Section 56(b) is amended by adding at the end thereof the

following new paragraph:

"(4) EXCLUSIONS ON INDIVIDUAL RETIRE-MENT PLUS ACCOUNTS.—Section 408A(d)(2) shall not apply to any qualified distribution from an individual retirement plus account."

(c) Conforming Amendment.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Tuesday, November 14, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 1096 (S. 1336), to provide for the use and distribution of funds awarded the Seminole Indians; S. 1781, the Native American Language Act; and S. 1846, to make miscellaneous amendments to Indian laws, and for other purposes to be followed by an oversight hearing on Indian veterans.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the Subcommittee on Federal Service, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on November 17, 1989, on S. 166, the Consultant Registration and Reform Act of 1989. The subcommittee will hear witnesses from the De-

partment of Housing and Urban Development and the private sector.

The hearing is scheduled for 9:30 a.m., in room SD-342, Senate Dirksen Office Building. For further information, please call Ed Gleiman, subcommittee staff director, on 224-2254.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SIMON. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., today to continue the October 5 and the October 31 hearings to receive testimony on the Department of Energy's efforts to improve the operations and management of its atomic energy defense activities and its efforts to restore public credibility in the Department's ability to operate its facilities in a safe and environmentally sound manner and on Senate bills S. 972, S. 1304, and S. 1802.

The PRESIDING OFFICER. With-

out objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CALL TO CONSCIENCE VIGIL

Mr. COATS. Mr. President, I rise today on behalf of Mr. Mark Kotlyar and his family, who have been denied the right to emigrate from the Soviet Union since 1978. Based on his education at the Moscow Institute of Physics and Technology and his position as an apprentice in the radio industry between 1972 and 1975, Mark has been denied an emigration visa for the last 10 years because of his alleged knowledge of state secrets. The absurdity of this excuse is blatant. The mere fact that Mark received a masters degree in physics and was an apprentice in the ministry of Radio industries over 14 years ago is hardly a credible reason for denying him the right to emigrate. It is difficult to believe that a university student and an apprentice in his first job would have had access to truly secret information.

Mr. President, this is another painful example of Soviet authorities using the specious state secrets and poor relatives' excuses for denying Jewish refuseniks the right to emigrate from the U.S.S.R. Once an individual is categorized as possessing secret information, it is a bureaucratic nightmare to be removed from this list, a prerequisite to being granted an emigration visa. Despite initial signs of reform in Soviet emigration policy, the denial rates on these grounds remain high, and all the bureaucratic obstacles to removing secret status remain. Such

impediments fly in the face of President Gorbachev's reform efforts and discredit his attempts to establish

greater openness.

I deeply sympathize with the struggle of Soviet Jews for religious and cultural freedom. I believe that the United States Government must continue to pressure the Soviet leadership to institutionalize emigration reforms. Moreover, in addition to basic emigration reforms, I believe that the Soviet Government must make every attempt to reverse the discrimination that Jews continue to suffer within the Soviet Union, especially since glasnost has contributed to a resurgence of antisemitism.

I hope that President Bush will raise the issue of refuseniks with President Gorbachev at their upcoming minisummit meeting in Malta. In my view, we have significant economic leverage over Soviet policy, and we should use it constructively. In particular, before issuing a waiver of the Jackson-Vanik amendment, which would grant mostfavored-nation trading status, the United States should insist that the Soviets codify in law the human rights and emigration reforms that are currently being discussed. We must have concrete evidence that they have eliminated the arbitrary practice of denying visas on the basis of state secrets and poor relatives before any serious consideration be given to a waiver of Jackson-Vanik. At a minimum the Soviets must seriously streamline the bureaucratic process currently required to remove secret status. While there is certainly a legitimate need to protect state secrets, the current use of this excuse to deny refusenik visas is exaggerated and appalling. Soviet assurances of future reforms and changes are not enough. Before providing the economic benefits of most-favored-nation trading status, we should therefore insist on irreversible reform of Soviet emigration policy.

Mr. President, Mark Kotlyar and his family have been waiting for the last decade for permission to reunite their family. Mark's case, however, has importance beyond the immediate interests of his family. Mark is the leader of the Kiev refusenik movement, and his release would be of tremendous symbolic value for the movement as a whole. His release would significantly bolster the confidence of Soviet refuseniks and help to eliminate the intimidation and discrimination that Jewish refuseniks have suffered for so long.

Mr. President, it is my intention to write to President Gorbachev and other appropriate Soviet authorities on behalf of Mark Kotlyar. He has been denied the right to emigrate for too long. It is my hope that the Soviet Government will not only look at Mark's case favorably but also reevalu-

ate their overall emigration policy. I believe that the United States Congress can make a significant impact on Soviet policy. I commend the Congressional Call to Conscience Vigil for its consistent effort in this regard. I am proud to participate in this effort, and I encourage other Members of Congress to join me in calling for the release of Mark Kotlyar and the remaining refuseniks who await the opportunity to exercise basic freedoms, too often taken for granted in the West.

THE MEANING OF SACRIFICE

• Mr. McCONNELL. Mr. President, last Saturday, November 11, our country observed Veterans Day. On this occasion, we honored the memory of our veterans from the Revolutionary War to the Mexican War, from World War I to Vietnam.

It has been only a short time, Mr. President, that our country officially recognized the service and sacrifices these Americans made in the interests of freedom and democracy. On November 11, 1918, World War I came to a bloody end, with over 10 million lives lost on the battlefields in Europe. President Woodrow Wilson declared that henceforth, America would recognize that day of peace as "Armistice Day" in honor of those who died in combat. President Wilson felt that America should be "* * filled with solemn pride in the heroism of those who died in the country's service * * * *

Unfortunately, America was soon to return to combat in Europe. Following World War II and Korea, President Dwight Eisenhower signed legislation proclaiming November 11 as "Veterans Day," when all who served in the Armed Forces would be recognized for their service. On November 11, Mr. President we now honor the true sons of liberty, defenders of freedom and democracy: America's veterans.

As I watch events unfold in Eastern Europe, I am reminded how precious and special our freedoms are. Barbed wire, barricades, and armed soldiers do not keep Americans in the United States. We move and think freely, Mr. President, we are united by a love for democracy and pride in our country. Our veterans are to be thanked for keeping America safe and free.

On this special day we all have occasion to reflect on the meaning of sacrifice: To think of those who have shed blood to keep our Nation strong. Veterans Day is a day of peace, one to take pride, as President Wilson suggested, in those who have served in our Armed Forces.

A TRIBUTE TO MARSING HIGH SCHOOL

 Mr. McCLURE. Mr. President, I rise today to tell my colleagues a brief

story with a lesson for all of us. It is a story about a group of young people who displayed courage, wisdom, and honesty and who proved to their parents and community that they will not tolerate racial injustice.

Along the banks of the Snake River in northwestern Owyhee County, the town of Marsing, ID, has a small population of 800 people. It is a nice little community where nearly everyone in town knows each other and where you wouldn't expect to find racial tensions.

This fall, everyone in Marsing learned that sometimes racism creeps into our lives without us really even being aware of it. It took a bunch of high school kids to bring this lesson home.

During Marsing High School football games, Hispanic players were the targets of racial slurs from some adults in the football stands. After a Hispanic team member would drop a pass or miss a tackle, biting racial insults would come from a few white adults in the bleachers.

Feelings were running high at the 129-student rural school, of which roughly a quarter are Hispanic. On September 25, the 10 Hispanics on the 21-member football team boycotted practice as a result of the racial insults. In addition, a troubled Hispanic team member, Ernesto "Neto" Villarreal, 16, appeared alone before the school district's board of trustees to lead the antiracist resistance.

In small towns like Marsing, the activities of the schools are very important. Entire community pride can center around them. The planned boycott would have dismantled the football team and school, and community spirit could have been severely harmed. But principal Bill Duncanson saw an opportunity in the crisis for Marsing High School students to stand up to the intolerance of a handful of racist adults. He told the athletes, "By quitting, you're letting those jerks in the stands win. They're winning and you're quitting."

The student council later voted unanimously to fight against racist language at school functions. Hispanic team members, convinced by the quick response, returned to football practice.

The culmination of this defense against racism came during the homecoming game on September 29. With the support of Marsing mayor Gene Showalter and the school's administrators, the Marsing student body—whites and Hispanics united—handed a statement to adults entering the homecoming game. The students' statement that was read to fans at the game was quite clear:

We, the student body of Marsing High School, are appalled by the racist behavior of certain people in the audience. Not only does this set a bad example for some younger students, it also reflects very badly on our entire school and community. Although we appreciate the support of our fans for our team, which is composed of students from many ethnic backgrounds, we do not need bigots here.

We are asking the authorities to eject from the premises anyone making such racist and rude remarks.—Marsing High School student body.

Mr. President, a younger generation in Marsing, ID, has taken the lead and made a statement to us all. More importantly, they have made a promise to themselves that they will not tolerate racism. I am frankly very proud of these young people. They give me great hope that our leaders of tomorrow will continue making strides for the equality of all people.

I salute the students of Marsing High School and am sure the U.S. Senate joins me in wishing them a very successful school year.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar No. 478, Martin L. Allday, to be a member of the Federal Energy

Regulatory Commission;

Calendar No. 479, Richard H. Melton, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil:

Calendar No. 480, Cresencio S. Arcos, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras; and

All nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

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

The nominations, considered and confirmed en bloc, are as follows:

DEPARTMENT OF ENERGY

Martin Lewis Allday, of Texas, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1993.

DEPARTMENT OF STATE

Richard Huntington Melton, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

Cresencio S. Arcos, Jr., of Texas, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras. NOMINATIONS PLACED ON THE SECRETARY'S
DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Charles E. Courtney, and ending Nyoka White, which nominations were received by the Senate on October 30, 1989, and appeared in the Congressional Record of October 31, 1989.

Foreign Service nominations beginning Reginald Howard, and ending Albert L. Bryant, which nominations were received by the Senate and appeared in the Congressional Record of November 2, 1989.

STATEMENT ON THE NOMINATION OF MARTIN L.

Mr. McCLURE. Mr. President, on November 8, 1989, the Committee on Energy and Natural Resources favorably reported the nomination of Martin L. Allday to be a member of the Federal Energy Regulatory Com-

It has been less than 4 months since Mr. Allday was confirmed by the Senate as solicitor of the Department of the Interior. This recent experience with the executive branch, combined with his extensive experience in oil and gas law, make him well qualified

to be a member of the FERC.

mission by a vote of 18 to 0.

Mr. President, I urge my colleagues to join me in supporting Mr. Allday's confirmation as a member of the Federal Energy Regulatory Commission.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

NATIONAL ADOPTION WEEK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 278, a joint resolution to designate November 20 through 26, 1989, as "National Adoption Week," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 278) designating the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment.

If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 278) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

ORDER TO PRINT FINAL VOLUME OF PROCEEDINGS ON NIXON IMPEACHMENT TRIAL

Mr. MITCHELL. Mr. President, on behalf of the distinguished Senator from Georgia [Mr. Fowler], who served as chairman of the Impeachment Trial Committee on the articles against Judge Walter L. Nixon, Jr., I ask unanimous consent that the customary final volume of proceedings on the Nixon impeachment trial be printed as a Senate document.

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

DETERMINATION OF PREMIUM PAY FOR IRREGULAR, UN-SCHEDULED OVERTIME DUTY BY A FEDERAL EMPLOYEE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 215, a bill with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee.

The PRESIDING OFFICER. The

clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 215) to amend title V, United States Code with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I would like to take a few moments to express my strong support for H.R. 215, which was passed earlier today by the House of Representatives under the leadership of Congresswoman Mary Rose Oakar. H.R. 215 is virtually identical to my amendment to S. 1711, the legislation implementing President Bush's anti-drug strategy. This amendment was included in the final version of S. 1711 passed last month by the Senate.

Mr. President, our Nation's war against drugs will not be won in a single battle. It will be won over a period of many years, with many battles, and with the continued dedication of our Nation's law enforcement officers.

To his credit, President Bush has recognized the importance of strengthening our law enforcement army. In the anticrime package sent to Congress last June, for example, the President authorized funding for an additional 300 FBI agents. He also authorized funding for more U.S. marshals and more agents in the Bureau of Alcohol, Tobacco and Firearms.

EXPERIENCE HAS NO PRICE TAG

Hiring more FBI agents and other law enforcement officers is crucially important in our war against drugs there is little to debate about on this issue.

But—it seems to me—that it is more crucial to ensure that our experienced, trained troops—those troops that are already in the trenches and on the streets—receive adequate pay. And we must make sure that these troops continue to find it worthwhile—financially and otherwise—to remain on the job. This country simply cannot afford to lose their valuable experience—experience that I believe has no price tag.

THE PROBLEM OF ATTRITION

Unfortunately, it is a sad fact that we are losing trained, experienced FBI agents, DEA agents, and other law enforcement officers. Last year, for example, more FBI agents resigned from the Bureau than retired. It is my understanding that this is the very first time in the Bureau's history that such a situation has occurred.

But—to tell you the truth—I can understand why an FBI agent would consider the resignation route. Just like everybody else, the FBI agents has to put food on the family table too.

Several years ago, the starting salary for an FBI agent was equivalent to that of a lieutenant in the New York City Police Department. Today, the starting salary for an FBI agent is lower than that of a New York City rookie cop.

And it is important to recognize that the educational and work experience requirements for FBI agents are far more stringent than the requirements of most local and State law enforcement agencies.

In fact, almost 47 percent of the FBI agents today have advanced degrees in law, in public accounting, in business administration, in the sciences, and in other fields. I cannot think of a single State or local law enforcement agency that can boast of a more highly educated and technically qualified work force. Yet, FBI agents receive a base pay and overtime pay that are inferior to what most other law enforcement agencies can offer their employees.

DESCRIPTION OF H.R. 215

Mr. President, H.R. 215 provides a partial remedy to this problem. It authorizes a modest increase in the premium for administratively uncontrollable overtime—the type of overtime work often undertaken by FBI agents and other Federal law enforcement officers in the long, and often lonely, war against drugs.

Under current law, administratively uncontrollable overtime is compensated at a maximum rate of 25 percent of an employee's base salary. Nevertheless, overtime pay for those employees—mostly law enforcement officers—who earn more than a GS-10 is limited to a maximum of 25 percent of a GS-10 salary. H.R. 215 simply increases the overtime premium so that it equals 25 percent of an agent's actual rate of pay.

After the Senate passed my amendments to S. 1711, the House acted quickly to take up H.R. 215.

Prior to passage, however, the House amended H.R. 215 to delay the effective date of the bill until September 30, 1990. In my view, this amendment is a good one. It will give the FBI, the Drug Enforcement Agency, the Department of the Treasury, and the other interested Federal agencies, the opportunity to review their budgets in anticipation of an increase in the overtime premium.

CONCLUSION

Mr. President, this is not a pay issue—it is an issue of simple equity. It is also an issue of very practical importance in our war against the drug lords.

The solution proposed by H.R. 215 is a modest one. And it is a solution that will go a long way toward giving our Nation's law enforcement officers some sorely needed financial security.

Mr. COATS. Mr. President, if we are to be able to win the war on drugs, we must provide the necessary support for those who are fighting on the front line of this war. We cannot afford underpaid or demoralized law enforcement forces. We cannot afford to lose our best trained crime fighters to early retirement or to employment elsewhere. The FBI, the Drug En-forcement Administration, the Customs, and other Federal law enforcement agencies cannot be truly effective in their efforts to stop drug trafficking and arrest other criminals if their agents are not compensated adquately or sufficiently motivated to do their job to the utmost or if the cadre of qualified personnel is no longer available.

As a member of the National Advisory Commission on Law Enforcement, I have become more keenly aware of the problems confronting Federal law enforcement arising from inequities in pay and benefits. The NACLE, to which I was appointed by the distinguished minority leader, is chaired by the Comptroller General, and consists of 21 members, including the Secretary of the Treasury, the Attorney General, the head of the Drug Enforcement Administration, the Director of the FBI, the Director of the Office of Personnel Management, the presidents of the AFGE and the Federal Law Enforcement Officers Association, representatives of other Federal law enforcement agencies, and six Members of Congress. We are charged with the responsibility to study the methods and rates of compensation, including salary, overtime pay, retirement policies, and other benefits of Federal law enforcement officers, compare them with the methods and rates of compensation of State and local law enforcement officers in representative areas, and recommend changes in Federal pay practices, where needed.

The Commission has received considerable evidence that Federal law enforcement agencies are facing serious recruitment and retention and morale problems, and that inadequate Federal pay and benefits are major causes. Among the specific matters which the NACLE has addressed in its survey and study of law enforcement across our country is the issue of overtime. The bill now before the Senate, H.R. 215, helps to address this issue by changing the methods by which Federal law enforcement officers are compensated for overtime duty, under the administrative uncontrollable overtime [AUO] system.

Current law stipulates that a Federal law enforcement officer must be paid overtime computed on the base pay of an entry level position rather than on the actual rate of pay for an employee's specific position. Section 5545 of title V of the United States Code provides for premium pay for an employee in a position requiring substantial irregular, unscheduled overtime which cannot be controlled administratively. This section requires that such pay be computed on the base pay of an entry level position, which happens to be the maximum level on which AUO can be computed.

AUO is paid to employees in positions in which the hours of duty cannot be controlled administratively and which entail substantial amounts of irregular overtime duty. AUO pay is authorized at the rate of not less than 10 percent to not more than 25 percent of that part of an employee's base pay which does not exceed the base pay at the GS-10 step 1 level. An employee paid under AUO cannot receive more pay per pay period than the biweekly base salary of an employee at the GS-15 step 10 level. The percentage to which an employee is entitled is determined quarterly on the number of hours overtime worked in a week. Thus, covered employees working between 3 and 5 hours of overtime in a week receive 10 percent AUO pay, whereas employees working 9 or more hours of overtime receive 25 percent AUO pay.

The result is that FBI agents, who routinely log substantial amounts of irregular, unscheduled overtime, receive only 25 percent of the base of an entry level salary, rather than 25 percent of their actual rate of pay. As a

group FBI agents average about 21/2 hours of AUO duty daily. While section 5545 provides some measure of compensation for the hundreds of additional hours they must spend in their jobs annually, this form of overtime computes to an amount considerably less than straight time. In fact, this system creates an anomaly whereby an agent could end up working for nothing if he or she works enough extra hours. It is no wonder that FBI agents complain that they are not being paid enough for the amount of overtime they must put in in their kind of work. It is illogical and unjust for any Federal agent to be paid less for working more hours overtime than for regular 8-hour duty.

To add to the problem, most State and local law enforcement personnel are treated more equitably, receiving higher premium pay for overtime duty. According to NACLE surveys, 90 percent of State and local organizations provide overtime pay, and of those that do, 74 percent pay time and a half for all overtime hours worked, and 93 percent indicated there is no limit on the amount of overtime pay

an employee can receive.

This system has led to substantial pay-purchasing erosion in real power-and benefits in recent years and has created a serious morale problem among Federal law enforcement officers. I am informed by the FBI Agents Association that this is the No. 1 issue among their agents. The FBI is facing a severe shortage of trained personnel as a consequence of planned retirement among their senior, most experienced agents. An improvement in overtime pay will forestall many retirements in the Bureau. Not surprisingly, the FBI recommended that the administration support H.R. 215.

H.R. 215 would relieve this situation by requiring that AUO be computed on the basis of an employee's current pay rate, so that Federal agents would not be restricted to overtime pay based on an arbitrary limit, but at their own grade rate. Thus, premium pay would be an appropriate percentage, between 10 percent and 25 percent, of the rate of basic pay for the employee's position, taking into account the frequency and duration of irregular, unscheduled overtime. The employees affected include agents of the FBI, DEA, Immigration and Naturalization Service, Customs, Bureau of Alcohol, Tobacco, and Firearms, and the Secret Service. Only those in the Marshals Service, Probation and Corrections are not covered because they are paid overtime on a straight-time basis.

At the last meeting of the NACLE on October 31, a majority of those commission members present voted unanimously to endorse H.R. 215 as a remedy to the overtime problem. The NACLE, by the way, represents the

position of 47,000 Federal law enforcement officers.

I should add that OPM opposes this bill because they prefer an overall review of Federal overtime policies rather than the piecemeal approach. Mr. President, we cannot afford to await such a long-range across-theboard solution for all Federal personnel, desirable as that may be. The manpower crisis facing federal law enforcement must be remedied immediately.

Mr. President, I strongly support this legislation. To me, this is really a matter of equity and a technical adjustment, not just a pay issue. FBI and DEA agents, who will be the chief beneficiaries, deserve to be paid fairly for the long hours they devote to investigations that lead to the capture and arrest of serious criminals, including drug kingpins. I have heard from many agents residing in Indiana who have urged me to support this kind of change in overtime pay.

I realize that this change will not be inexpensive. CBO and OMB estimate that H.R. 215 would cost between \$80 and \$100 million annually, which would have to be absorbed by the agencies in their own budgets. I note that, as amended by the House Apropriations Committee and passed by the House, H.R. 215 would not become effective until September 30, 1990. This will not only ease the budgetary impact on the affected agencies and

departments, but it will give the ap-

committees

sufficient

time to provide the necessary funding for fiscal year 1991.

propriations

Mr. President, I have consistently supported efforts to fully fund the Anti-Drug Abuse Act of 1988 and I supported the President's drug strategy and crime package and voted for funding to implement these programs. The price of ridding our communities of major crime and protecting our families from the scourge of drugs and menace of drug dealers is not too high. I shall certainly work to ensure that these agencies, which are already strapped to meet their crime fighting and other obligations under the law, receive the funding they need to pay their agents and law enforcement personnel. We cannot ask these men and women to put themselves on the line for us and our loved ones and risk their own lives and then fail to compensate them adequately for their toil and sacrifice.

Mr. President, I am pleased to be a cosponsor of H.R. 215, and I urge my colleagues to vote for this important legislation.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

If there is no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 215) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

TRANSFER OF NAVAL LANDING SHIP DOCK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3544, a bill to authorize the transfer of a specified naval landing ship dock to the Government of Brazil, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3544) to authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there is no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3544) was ordered to a third reading, was read the third time,

and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of H.R. 1495, the Arms Control Authorization Act of 1989, and that the bill be placed on the calendar.

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

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

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

UNANIMOUS-CONSENT AGREEMENT-S. 1582

Mr. MITCHELL. Mr. President, I ask unanimous consent that the following amendments be the only firstdegree amendments remaining order to S. 1582, and that if offered they be offered in the following order:

First, an amendment by Senator HARKIN regarding cargo preference which will not include any language on a Great Lakes set-aside.

Second, an amendment by Senator Dole regarding cargo preference which will not include any language regarding a Great Lakes set-aside.

Third, another amendment by Senator Dole on cargo preference which will not include any language regarding a Great Lakes set-aside.

Fourth, an amendment by Senator

DANFORTH on tax extenders.

I further ask unanimous-consent that the only amendment opened to second-degree amendments be the Danforth amendment and that they be relevant to the Danforth amendment: that no motions to recommit be in order; that immediately upon disposition of these amendments and the Roth amendment the Senate proceed to the adoption of the committee substitute as amended and third reading of the bill, after which the Senate proceed to the House companion H.R. 3402, and that all after the enacting clause be stricken and the text of S. 1582 as amended be substituted in lieu thereof, and the Senate proceed immediately to third reading and final passage of the bill.

The PRESIDING OFFICER. Is

there objection?

The Senator from Mississippi.

Mr. COCHRAN. To clarify my understanding, in describing the three amendments-one by Senator HARKIN and two by Senator Dole-that deal with cargo preference, the leader states the unanimous-consent request that those amendments would not contain language relating to a Great Lakes set-aside requirement.

I have reviewed copies of the two Dole amendments that are proposed to be offered. I have not personally seen the amendment proposed to be offered by Senator HARKIN, but there is on page 2 of both of the Dole amendments language which does not specifically say that it amounts to an extension of the set-aside preference for Great Lakes ports. But if such language would have that legal effect, is it my understanding that that language would be considered stricken from the amendment as it is offered; to be in order, that language would have to be stricken?

Mr. MITCHELL. I have not personally seen any of the three amendments regarding cargo preference, but it is my understanding that in order to qualify to be offered pursuant to this unanimous-consent agreement, that

any of the three-that is, the one by Senator HARKIN and the two by Senator Dole-could not include the prohibited language regarding the Great Lakes set-aside.

CONGRESSIONAL RECORD—SENATE

Mr. COCHRAN. Mr. President, I thank the distinguished leader for his explanation. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the proposal is agreed

Mr. MITCHELL. Mr. President, may I ask that the Chair withhold acting on my unanimous-consent request momentarily?

The PRESIDING OFFICER. The

Chair withholds.

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

The PRESIDING OFFICER. With-

out objection, it is so ordered.

Mr. MITCHELL. Mr. President, I amend my unanimous-consent request to add an amendment by Senator HUMPHREY regarding Solidarity to the fourth amendment in order; that is, after the second Dole amendment and prior to the Danforth amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the entire request of the majority

leader is agreed to.

The text of the agreement reads as follows:

Ordered. That when the Senate resumes consideration of S. 1582, a bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland, the following amendments be the only first degree amendments in order. and if offered, to be offered in the following order:

Harkin amendment-relative to cargo preference, which will not include any language on a Great Lakes set-aside;

Dole amendment-relative to cargo preference, which will not include any language on a Great Lakes set-aside;

Dole amendment-relative to cargo preference, which will not include any language on a Great Lakes set-aside; and

Humphrey amendment-relative to Soli-

Danforth amendment-relative to tax extenders;

Ordered further, That the only amendment open to second degree amendments be the Danforth amendment and that they be relevant to the Danforth amendment.

Ordered further, That no motions to re-

commit be in order.

Ordered further, That immediately upon disposition of these amendments and the Roth amendment, the Senate proceed to the adoption of the committee substitute, as amended, and third reading of the bill, after which the Senate proceed to the House companion and that all after the enacting clauses be stricken and the text of S. 1582, as amended, be substituted in lieu thereof, and the Senate proceed immediately to third reading and final passage of the bill. (Nov. 13, 1989)

ORDER TO PRINT THE CAPITAL GAINS AMENDMENT

Mr. MITCHELL. Mr. President, I unanimous consent that an amendment by Senator Packwood, regarding capital gains and IRA's, filed today and to be offered as a substitute tomorrow pursuant to a previous order, be printed in the RECORD.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M. MORNING RUSINESS AND RESUME CONSIDERATION OF S. 1582

Mr. MITCHELL. Mr. President, ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m., tomorrow. Tuesday. November 14, 1989, and that following the time for the two leaders there be a period for morning business until 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10:30 a.m., the Senate will resume

consideration of S. 1582.

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

RECESS FROM 12:30 P.M. TO 2:15 P.M.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that on tomorrow the Senate stand in recess from 12:30 p.m. to 2:15 p.m., in order to accommodate the party confernces.

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

RECESS UNTIL 10 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished acting Republican leader has no further business and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 10 a.m. tomorrow, Tuesday, November 14, 1989.

There being no objection, Senate, at 8:31 p.m., recessed until Tuesday, November 14, 1989, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1989:

DEPARTMENT OF DEFENSE

SUSAN J. CRAWFORD, OF MARYLAND, TO BE IN-SPECTOR GENERAL, DEPARTMENT OF DEFENSE, VICE JUNE GIBBS BROWN, RESIGNED.

DEPARTMENT OF JUSTICE

WALTER J. BAMBERG, OF ALABAMA, TO BE U.S. MARSHAL FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF 4 YEARS, VICE MELVIN E. JONES,

DONALD E. CROWL, OF OKLAHOMA, TO BE U.S. MAR-SHAL FOR THE NORTHERN DISTRICT OF OKLAHOMA, FOR THE TERM OF 4 YEARS, VICE HARRY CONNOLLY, RETIRED.

CHARLES E. HEALEY, OF NEW YORK, TO BE U.S.
MARSHAL FOR THE EASTERN DISTRICT OF NEW
YORK FOR THE TERM OF 4 YEARS (REAPPOINT-

CRAIG I. MEACHAM OF CALIFORNIA TO BE IIS MARSHAL FOR THE CENTRAL DISTRICT OF CALIFORNIA FOR THE TERM OF 4 YEARS VICE JULIO GONZALES, RESIGNED.

JAMES V. STEWART, OF MICHIGAN, TO BE U.S. MAR-SHAL FOR THE EASTERN DISTRICT OF MICHIGAN FOR THE TERM OF 4 YEARS VICE ANTHONY BERTONI, TERM EXPIRED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MARTIN H. GERRY, OF CALIFORNIA, TO BE AN AS-SISTANT SECRETARY OF HEALTH AND HUMAN SERV-ICES, VICE ROBERT B. HELMS, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

H. DOUGLAS BARCLAY, OF NEW YORK, TO BE A MEMBER OF THE BOARD OF DIRECTORS FOR THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR THE TERM EXPIRING DECEMBER 17, 1991, VICE THOMAS A. BOLAN, RESIGNED.

IN THE COAST GUARD

PURSUANT TO THE PROVISIONS OF 14 USC 729, THE FOLLOWING-NAMED COMMANDERS OF THE COAST GUARD RESERVE TO BE PERMANENT COMMISSIONED OFFICERS IN THE COAST GUARD RESERVE IN THE GRADE OF CAPTAIN.

PETER L. MAIER FRANKLIN D. HOFFMAN THOMAS R. SKAIFE WILLIAM G. BOYCE

JAMES O. HUGHES STANLEY A. NASITKA JOHN T. HANNIGAN CHARLES W. MORE

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINT-MENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant General

MAJ. GEN. GARY E. LUCK, XXX-XX-XXXX, U.S. ARMY.

MAJ. GEN. GARY E. LUCK, EXCHAND U.S. ARMY.
THE POLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION
601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10,
UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. CHARLES P. OTSTOTT, XXX-XX-XXXX U S.

IN THE ARMY

FOLLOWING-NAMED OFFICERS. ON THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

MEDICAL SERVICE CORPS

To be lieutenant colonel

THOMAS F. ALLEN, XXX-XX-XXX
ALLEN F. ALMQUIST, III, XXX-XX-XXX
WILLIAM B. ANDREWS, XXX-XX-XXX
JOHN F. ARMSTRONG, XXX-XX-XXX
MICHAEL A. BALADY, XXX-XX-XXX
MICHAEL B. BALADY, XXX-XXXX
MICHAEL B. BARSZCZ, XXX-XXX
MILLIAM T. BROADWATER, XXX-XXXX
WILLIAM T. BROADWATER, XXX-XXXX
JAMES E. BROWN, XXX-XXXX
JAMES E. BROWN, XXX-XXXX JAMES E. BROWN, XXX-XX-XXXX RICHARD E. BROWN, XXX-XX-XXXX RICHARD E. BROWN,
THOMAS E. BROYLES,
ROBERT W. CAMPBELL,
ROSERT W. XXX-XX-XXX , JR. XXX-XX-XXXX , XXX-XX-XXXX ERIC G. DAXON, MERMAN B. DOZE LEE I. DRIGGERS, FRANCIS C. DUDA XXX-XX-XXX RONALD J. DUNN, XXX-XX-XXXX RONALD J. DUNN,
KAREN M. EWING, XXXXXXXXX
RONALD D. FANCHER,
CHARLES R. FARRIS,
DENNIS R. FLOYD,
PAUL L. *. FREDERICK,
PAUL L. *. FREDERICK,
THOMAS G. FULLER,
VICTOR S. GEIGER,
ROBERT D. *. GENTILE,
XXXXXXXX
ROBERT D. *. GENTILE,
XXXXXXXX

RICHARD L. GODDARD.

RICHARD L. GODDARD.

RICHARD L. GOMAN.

RAYACXXXX

ATANACIO C. GUILLEN JR.

RAYACXXXX

RALPH R. HADLEY.

RALPH R. HADLEY.

RICHARD W. HARRIS.

RICHARD W. HARRIS.

RICHARD W. HARRIS.

RICHARD W. HARRISON.

MICHAEL W. HASTRITER.

MAYACXXXX

MICHAEL W. HASTRITER.

MAYACXXXX

MICHAEL W. HASTRITER.

MAYACXXXX

MICHAEL W. HASTRITER.

MAYACXXXX

JAMES B. HAWKINS.

WILLIAM M. HEATH.

MAYACXXXX

JOSEPH A. JAKUBOWSKI.

MAYACXXXX

LINDA K. JELLEN.

JAMES M. KINDRED.

MAYACXXXX

JAMES M. KINDRED.

JAMES M. KLUCKMAN.

JAMES M. KLUCKMAN.

JAMES M. KLUCKMAN.

JOHN P. LITRIO.

JOYACXXXX

PREDRIC A. LOMBARDO.

JAMES W. ASSALVAN

ROBERT A. LYNCH.

JOYACXXXX

ROBERT A. LYNCH.

JOYACXXXXX

ROBERT A. LYNCH.

JOYACXXXXXI

ROBERT A. LYNCH.

JOYACXXXXI

ROBERT A. LYNCH. RICHARD R. WESTLAKE, XXX-XX RICHARD R. WESTLAKE, XXX-XX-XXXX JOHN B. *. WILLIAMS, II, XXX-XX-XXXX LEON WOODLEY, XXX-XX-XXXX PHILIP W. WYSSLING, XXX-XX-XXXX BARNEY A. YANKLOWITZ, XXX-XX-XXXX

ARMY NURSE CORPS

To be major

DAVID L. *. CROMWELL, XXX-XX-XX TERRY J. *. DANIELS XXX-XX-XXX TERRY J. *. DANIELS

MARY C. *. DARR, XXX-XXXXXX

MARY C. *. DARR, XXX-XXXXXX

WALTER M. *. DAVIS, XXX-XXXXXX

ERNEST F. *. DEGENHARDT, XXX-XXXXX

VINCENT R. *. DRAPY, XXX-XXXXX

ANITA H. *. EGGERT, XXX-XXXXX

JULIE M. *. ELDRED, XXX-XXXXX

ANTHONY M. *. ETTIPIO, XXX-XXXXX

DOUGLAS C. *. FIELDS, XXX-XXXXXX

AND CALL FORD

JOAN M. LOKAR, XXXXXXXXXXX
DOROTHY L. *. MAHANEY, XXX
GLORIA *. MCDOWELL, XXX XXX
JAMES D. *. MCRAE, XXX XXX
MICHAEL R. *. MEHLHAFF, XXX
PATRICK W. *. MILLER, XXX XXX xxx-xx-xx

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY

To be lieutenant colonel

CRISPIN A. ABAD. XXX-XX-XXXX STEPHEN G. ABEL. XXX-XX-XXX GABRIEL ACOSTA. JR., XXX-XX-XXX ANDREW E. ADAMS. XXX-XX-XXXX BILLY J. ADAMS. XXX-XX-XXXX MICHAEL R. ADAMS. XXX-XX-XXX ANNE V. ANNIN. XXX-XX-XXXXX STEPHEN P. ANSLEY, XXX-XX-XXXX PHILIP W. ANTHONY, XXX-XX-XXXX

CONGRESSIONAL RECORD—SENATE

BRUCE D. BUCHNER.

BRUCE D. BUCHNER.

WILLIAM B. BUFLER.

WILLIAM B. BUGERT.

WILLIAM B. BURGERT.

WILLIAM B. CHARLES, JR. WANNERS AND WASHINGTON BOOK AND WANNERS AND WASHINGTON BOOK AND WASHINGTON BO

MILTON J. CROSS. JR. XXX-XX-XXXX

WILLIAM F, FILLER,
JOHN S, FINLAY, IV,
HERMAN F, FINLAY, IV,
HERMAN F, FINLEY, JR,
ROBERT G, FISCHER,
BERNARD D, FITZPATHICK,
GAYLE W, FIX,
GAYLE W, FIX,
GAYLE W, FIX,
GAYLE W, FIX,
GERRY M, FLACK,
MARK J, FLAVIN, W,
JOANIEL E, FLEMING,
WILLIAM J, FLETCHER,
DONALD R, FOSTER,
PETER W, FOTHERINGHAM,
WILLIAM J, FLETCHER,
JONALD R, FOSTER,
CHARLES D, FRANKLIN,
WILLIAM J, FOX,
DANIEL T, FRANK,
WILLIAM F, FOX,
DANIEL T, FRANKLIN,
WILLIAM A, FRANKLIN,
ROBERT F, FRANKS,
ROBERT N, FRECKLETON,
CHARLES L, FREEMAN,
STEPHEN E, FREEMAN,
MALCOLM F, FRENCH,
MONTA M, FROST,
KEITH K, FUKUMITSU,
JAMES R, FULLER, III,
LESLIE L, FULLER,
MICHAEL A, FURLO,
JOE F, FURLONI,
JOEF, FURLONI,
JOEF, FURLONI,
WX JOEF, FURLONI,
WILLIAM P, GARRETT,
TERRANCE M, GALLAGHER,
THOMAS P, GANNON,
GEORGE E, GARCIA,
ROBERT GARCIA,
STEPHEN W, GARDNER,
JIMMY F, GARRETT,
JOHN C, GAY,
JOSEPH F, GAZIANO,
JOHN B, GATELY,
JOHN C, GAY,
JOSEPH F, GAZIANO,
STEVEN R, GEBHARD,
BRIAN I, GEEHAN,
STEVEN R, GEBHARD,
DONALD GET,
WANDER,
JONALD GET,
WANDER,
JOHN B, GAREIT,
LARRY W, GITHERMAN,
RANDY D, GLASS,
EUGENE A, GLASSER,
CHARLES W, GLOVER,
THOMAS R, GOEDKOOP,
RUSSELI J, GOOEN,
RALPH E, GOSSETT,
MOMAS R, GOEDKOOP,
RUSSELI J, GOOEN,
RALPH E, GOSSETT,
MICHAEL H, GOULDING,
KERMIT F, GOMBERT JR,
WANDER J, GOEDKOOP,
RUSSELI J, GOOEN,
RALPH E, GOSSETT,
MICHAEL H, GOULDING,
KERMIT F, GOMBERT, JR,
WANDER J, GOEPT R,
RANDEL D, GLASSER,
CHARLES W, GLOVER,
THOMAS R, GOEDKOOP,
RUSSELI J, GOOEN,
RALPH E, GROSSETT,
MICHAEL H, GUNGREST, JR,
WANDER J, GOERT L,
WANDER J,
W

TIMOTHY B. HASSELL.
LONDA S. HASTINGS.
SHELLEY H. HATCH.
JOE T. HATPIELD. JR.
JAMES H. HAYES JR.
STEPHEN J. HEBERT.
JAMES R. HEIN.
STEPHEN J. HEBERT.
JAMES R. HEIN.
JAMES A. HELLYER.
JOHN N. HELLYER.
JAMES A. HELLYER.
JAMES A. HENDRICKS. JR.
JAMES A. HENDRICKS.
MICHAEL J. HENNELLY.
MILES L. HENSELMAN.
JAMES F. HENSHAW.
WILLIE L. HENSLEW.
WILLIE L. HENSLEW.
JOHN T. HERRON.
JOHN T. HERRON.
JOHN T. HERRON.
JOHN T. HERRON.
JAMES A. HERBERG.
JAVID J. HILL.
JAMES A. HERBERG.
LYDE R. HOBBY. III.
NORMAN B. HODGES. III.
RAY A. HODGSON.
NORMAN J. HOERER.
RICHARD J. HOFFMAN.
JAMES A. HOGAN.
JAMES A. HOGAN.
JAMES R. HORPAN.
JAMES A. HOGAN.
JAMES R. HORPAN.
JAMES A. HORPAN.
JAWES A. HORPAN.
JAWILL
ROBERT C. HOLCOMB.
TERESA J. HOLLEY.
JOHN H. HOWARD.
JOHN J. HOWARD.
JOHN J. HOWARD.
JOHN J. HORPEN.
JOHN D. HUSTON.
JOHN J. HORPEN.
JOHN D. HUSTON.
JOHN J. HORPEN.
JOHN D. JANAW.
JOHN J. JANAW.
JOHN C. JOHNSON.
JOHN J. JANAW.
JAMES L. JANEBE.
JAMES W. JOHNSON.
JAMES L. JANEBE.
JA

STEPHEN G. KEE
HENRY C. KEEBLER. III.
JOHN C. KEENAN
ALVIN KEITH,
JOHN C. KEENAN
ALVIN KEITH,
DAMIAN P. KELLY,
KEVIN KELY,
MICHAEL W. KENNEALIM
JEFFREYA KERN.
MICHAEL W. KENNEALIM
JEFFREYA KERN.
TODD B. KERSH.
LEE F. KICHEN
MICHAEL K. KIMBELL
JOHN F. KIMMONS
MICHAEL L. KIMBELL
JOHN F. KIMMONS
JOHN S. KLECKA
JOHN S. KRECKA
JOHN K. KORN
JAMES F. KOPENHAPER
ROBERT F. KOURY
GEORGE J. KONO,
JR.
JAMES F. KOPENHAPER
ROBERT F. KOURY
JOHN J. KREITNER
JOHN J. KUCHA
JOHN J. KREITNER
JOHN J. KUCHA
THEODORE E. KUCHTA
THEODORE E. KUCHTA
JOHN S. KLUCK
JOHN J. KURRUS
SANDRA K. LABELLE
MICHAEL J. LAVINE
RICHARD W. LAKE
JOHN J. KURRUS
JOHN J. KURRUS
JANGS J. LANE
JEROY
JOHN J. LAUINE
RICHARD
J. LAVINE
JEROLD
J. LAUINE
JEROLD
JOHN J. LEEL
JOHN J. LEY
JOHN J. LETHE
JEROLD
JOHN J. LITTLE
JOHN J. LOPTON
JOHN J. LOPTON
JOHN J. LOPON
JOHN J. LOP

ROBERT O. NEFF
RENARDO C. NEGRETE
LAWRENCE E. NELSON
MICHAEL L. NELSON
MICHAEL L. NELSON
WILLIAM L. NELSON
FRANK C. NEWELL
FRA

JOHN L. SHIRK, XXX-XX-XXXX

JAMES M. SILVA, XXX-XXXX

JAMES E. SIMMONS, XXX-XX-XXX

JERRY A. SIMONSEN, XXX-XX-XXX

BRUCE E. SIMPSON, XXX-XX-XXX

CHARLES W. SIMPSON, JXX-XX-XX

CHRISTOPHER SIMPSON, XXX-XX

CHERISTOPHER SIMPSON, XXX-XX

CTEPHEN K. SIMPSON, XXX-XX

STEPHEN R. WITHAM,
WALLIE S. WITTE, JR.
JAMES F. WOLF,
JAMES D. WOLFE,
JAMES D. WOLFE,
JAMES D. WOLFE,
JAMES D. WOLFE,
WILLIAM L. WOLFE,
WILLIAM L. WOLFE,
JAMES W. WOODARD,
JAMES W. WOODARD,
JAMES W. WOODARD,
JAMES W. WOODARD,
JAMES W. WOOTZEL,
DANE L. WOYTEK,
DANE L. WOYTEK,
JAMES L. WOYTEK,
JAMES W. WOOTZEL,
JAMES W. WILLIAM,
JAMES W. WILLIAM,
JAMES W. WOOTZEL,
JAMES R. YOUNG,
JA

CONFIRMATIONS

Executive nominations confirmed by the Senate November 13, 1989:

DEPARTMENT OF ENERGY

MARTIN LEWIS ALLDAY, OF TEXAS, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR A TERM EXPIRING OCTOBER 20,

DEPARTMENT OF STATE

RICHARD HUNTINGTON MELTON, OF VIRGINIA, TO

RICHARD HUNTINGTON MELTON, OF VIRGINIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPO-TENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERATIVE REPUBLIC OF BRAZIL. CRESENCIO S. ARCOS, JR., OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDU-DAS

THE ABOVE NOMINATIONS WERE APPROVED SUB-JECT TO THE NOMINEES: COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING CHARLES E. COURTNEY, AND ENDING NYOKA WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 31, 1989.
FOREIGN SERVICE NOMINATIONS BEGINNING REGINALD HOWARD, AND ENDING ALBERT L. BRYANT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 2, 1989.