

My sympathy goes out to his wife, Nancy, and other family members and to the people of Georgia.

Mr. LAUTENBERG. Mr. President, I rise to pay tribute to the senior Senator from Georgia, Paul Coverdell, who passed away Tuesday in Atlanta.

While Senator Coverdell and I came from different political parties and ideologies, we shared several things in common. We both served our country in the U.S. Army, and after our service we both returned home to run successful businesses.

With our military and business backgrounds we decided to turn our attention to serving the public, and Senator Coverdell had an impressive record of public service.

Senator Coverdell served in the Georgia State Senate—rising to the position of minority leader. He then served as Director of the Peace Corps under President Bush, focusing on the critical task of serving the emerging democracies of post-Soviet Eastern Europe. In 1992, he was elected to serve in the United States Senate.

Although we failed to agree on many issues before this body, Senator Coverdell always demonstrated honor and dignity in this Chamber. He argued seriously for the positions he believed in. When he pushed legislation to fight illegal drugs or promote volunteerism, it was obvious that his heart was always in it. And his motivation was sincere and simple—to help the people of Georgia and the Nation.

I send my deepest sympathies to his wife Nancy, his parents, and the entire Coverdell family. I also extend my sympathy to the people of Georgia.

We will all miss Senator Paul Coverdell of Georgia.

Mr. L. CHAFEE. Mr. President, I rise today to express my sympathy to the Coverdell family and my own sorrow at the death of Senator Paul Coverdell. May his family find solace in their memory of Paul's many contributions to a better Georgia, a better United States, and a better world. I followed Paul onto the Foreign Relations Committee and also into his chair of the Western Hemisphere Subcommittee. I will do my best to carry on your good work there, Paul.

As many people have said, Paul Coverdell was a gifted communicator. To every organization those skills are valuable and especially here in Congress. Perhaps Paul learned those skills at the prestigious Missouri School of Journalism from which he graduated. But I suspect, despite having known him only a short time, that Paul's easy manner and obvious kindness were inherent traits. He was a natural communicator and we mourn his loss.

Once again, my heartfelt sympathy to Nancy and all of Paul Coverdell's family and friends.

Rest in peace.

Ms. COLLINS. Senator Paul Coverdell was a rare and wonderful man—and a spectacular Senator. Anyone who

had the good fortune to work with him left more hopeful, more committed, more convinced we could all make a difference.

Much is being said about his extraordinary ability to get things done; I would like to talk about how he was able to accomplish so much. Senator Coverdell had many talents, but perhaps the secret to his success was his ability to bring people together. In times of friction, fractiousness, and pressure, he was always the one who remained focused and calm in the eye of the legislative storm.

It was a common for him to hold meetings in his office where conservatives and moderates, strategists and ideologues, listened to each other, shared ideas and figured out not just ways of accomplishing diverse goals, but also what those goals really should be. And his energy and willingness to take on the most difficult task with little public recognition or thanks was legendary.

Senator Coverdell was a man who listened. He listened to Senators and staff and policy experts. He listened to those he agreed with and those he didn't—and merged it all into a comprehensive, concise and workable plan. He respected all individuals with an honesty and sincerity that set the tone for working together.

Most of all, and through it all, Senator Coverdell was kind and gracious in his dealings with everyone. The country, his state, and all of us who have been privileged to know him will miss him terribly. We join in praying for his family as they suffer his loss. We have all lost a very good friend.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

Mr. MCCAIN. Mr. President, I ask unanimous consent that the pending Cochran amendment be laid aside.

Mr. REID. Objection.

Mr. COCHRAN. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. MCCAIN. Mr. President, at the appropriate time I intend to propose an amendment. I will be glad to discuss it at this time. Perhaps the Senator from Nevada could clarify for me when it might be appropriate.

Mr. REID. Mr. President, when Senators VOINOVICH and LEAHY took the floor, the purpose was to allow them to speak about our dearly departed friend. At the time the quorum was called for, we were trying to resolve this issue that was on the floor—the Harkin amendment and the second degree by the manager of the bill. We are almost ready to do that. I was asked by the Senator from Iowa to hold things up until that was resolved. That is why I offered the objection. We should be in a position soon to move forward, but I think the Senator should go ahead and speak.

Mr. MCCAIN. Mr. President, is it the desire of the distinguished manager, the Senator from Mississippi, that I go ahead and discuss the amendment or wait until a resolution of the pending Harkin and Cochran amendments?

Mr. COCHRAN. Mr. President, I have no objection to the Senator proceeding. I think it would expedite the proceedings of the Senate if he would discuss his amendment.

Mr. MCCAIN. I thank the Senator.

Mr. President, I am prepared to enter into a time agreement on this amendment. Whatever is agreeable to the Senator from Mississippi and the Senator from Wisconsin would be fine.

I will be proposing an amendment, joined by Senators GREGG and SCHUMER, that will stop the Federal Government from wasting taxpayers' dollars on an unnecessary and outdated sugar program that costs consumers as much as \$2 billion in inflated sugar prices.

I ask unanimous consent to have Senator LUGAR added as a cosponsor of this amendment.

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

Mr. MCCAIN. The amendment is simple. It withholds funding for the costly Federal sugar program for fiscal year 2001.

Mr. President, my colleagues and I are here today to say enough is enough. The American taxpayers have subsidized the sugar industry, with price support loans and strict import quotas in various forms, since 1934. Each year American taxpayers pay close to \$2 billion in artificially high sugar prices and this year paid an additional \$60 million to bail out sugar producers facing massive loan defaults.

We're not here today to dispute the choice of sugar as a consumer product. Most Americans buy some type of sugar product on a daily basis—a can of soda or a candy bar—and most Americans buy various types of sugar products every time they shop in a supermarket. What we object to, as consumers purchase these products, is that the federal government is unfairly overcharging them.

The sugar program has outlived other agricultural commodity subsidies that have since been phased out through past farm bills. However, the retention of this flawed program has not been dictated by common sense or sound economics, but political influence.

Originally, the sugar program was intended to prop up sugar prices to ensure a profit for sugar farmers. Unfortunately, the higher prices result in the usual "trickle-down" effect. Food companies have to pay the higher price for sugar, which is then passed on in the form of higher prices for sugar products. The average consumer ends up paying the cost of sugar subsidies in the grocery store.

Let me take a few moments to explain why federal assistance for the sugar program should end.

First of all, it is unfair to American consumers. A recent GAO report confirms what we have known all along,

that American consumers pay close to \$2 billion each year in inflated sugar prices. Mandatory price quotas are imposed on American-grown sugar at roughly 22–24 cents a pound compared to 6 cents a pound for sugar grown in other parts of the world.

This past year, in 1999, U.S. sugar prices were four times higher than the world price.

The benefits of the sugar program are hopelessly lopsided. Approximately 42 percent of all sugar program benefits go to 1 percent of growers. These are not small family farmers, but big sugar tycoons who obtained millions through this federal subsidy. Four sugar cane companies in Florida received more than \$20 million. One grower receives close to \$65 million annually from this subsidy. About 30 sugar growers were also able to collect one million each from this subsidy. That is not small business; that is not a small farmer.

Mr. President, these sugar growers—and I will be naming them and identifying them—have been incredibly generous politically. They have been heavily involved in contributing to both parties in very large amounts of money.

Second, the federal sugar program is anti-free market and anti-free trade. The sugar program severely limits imports of lower-priced foreign sugar into the American market so farmers can make a profit through higher prices.

The end result, unfortunately, is that this overpricing has caused an overproduction of sugar. This excess supply of sugar drives prices below the guaranteed price level. This type of policy is absurd and has damaged our credibility in the world market.

Large-scale sugar growers in Florida contribute directly to the devastation of the Everglades wetlands through increasing sugar cane production. Again, high sugar prices lead to overproduction of sugar. Florida's sugarcane industry is situated near one of America's most pristine freshwater lakes. The direct conversion of sensitive wetlands to sugarcane production and the accompanying agricultural runoff flowing into the Everglades have a direct impact in the decimation of one of America's most treasured ecosystems.

For years, sugar cane producers were able to resist and avoid any responsibility for cleanup. The small portion they are now required to pay for cleanup hardly makes a dent into the billions estimated for restoration of the Everglades.

Who makes up the difference in these costs? Again, the taxpayers make up the difference by paying nearly a third of the restoration costs.

I have spent a fair amount of time in the State of Florida. There is a growing, deep, and very legitimate concern about the Everglades. There is no doubt that the flow of pesticides into the Everglades is directly related to sugarcane growing and has had a direct impact on the ecology of that very fragile ecosystem which is an Amer-

ican treasure, not just a Florida treasure. We should at best not subsidize people who engage in the growing of sugarcane which causes direct damage to one of the most beautiful spots in all the world.

Finally, American taxpayers had to pay for a multi-million bail out for sugar processors who did not meet their loan obligations. Earlier this year, the administration spent \$60 million to purchase more than 150,000 tons of surplus sugar to prevent mass forfeitures.

Why are taxpayers bearing the brunt of these defaulted loans? Because a fundamental flaw in the federal sugar policy allows sugar producers to forfeit their crops to USDA if the market price falls below the loan rate. Sugar producers turn over excess sugar to USDA, keep their loan money and the federal government has to absorb the loss. In other words, if sugar producers are unable to sell their sugar, the federal government promises to buy all the sugar they produce.

Often, forfeited sugar is sold at a substantial loss to the federal government. The federal government has no options under the existing sugar program—if the government does not spend millions buying excess sugar, it loses out anyway as sugar processors default on their loans and are not required to pay back to the federal government. With a surplus of sugar in the world market, the federal government will not be able to sell this excess unwanted sugar. It's a double-whammy.

Mr. President, these forfeitures are a direct cost to the American taxpayers.

And, even worse, this may be only a foreshadowing of a tidal wave yet to come. The federal government may be forced to spend millions more in purchasing additional sugar if the sugar industry has their way. The big sugar lobby is already pressuring USDA to purchase more sugar at a cost of \$100 to \$500 million on further sugar bail-outs before the end of this year.

How is this absurdity allowed to continue?

Mr. President, the answer is clear. The sugar program is alive because of well-financed sugar interests, or the "Iron Triangle" of the commodity world. Sugar interest represent one of the highest soft money contributors nationwide.

Between 1995 to 1999, the sugar industry contributed more than \$7 million in soft-money contributions, more than any other commodity group. In 1999 alone, the sugar industry contributed \$1.5 million in soft-money contributions to both sides of the aisle. The famous Fanjul family of Flo-Sun sugar industries, known as the "First Family of Corporate Welfare," are among the most generous benefactors in soft money contributions. Sugar interests are cashing in at the register at the expense of consumers, and turning that profit into political influence to keep their stronghold on this federal subsidy.

Before I conclude, I want to highlight several commentaries about the sugar program in a few prominent media programs and articles.

Fallacies of the sugar program earned special coverage as part of a "Fleecing of America" segment on NBC's "Nightly News with Tom Brokaw." During this segment, Art Jaeger from the Consumer Federation of America claims, "the program gives too little money to the farmers who need the help, too much money to farmers who don't need the help."

ABC World News Tonight highlighted sugar subsidies as part of its "Its Your Money" segments, telling all Americans that maintaining the sugar program is a way "to guarantee that even more farmers will take advantage of this sweet deal, producing even more sugar, meaning more taxpayer bail-outs."

The Center for Responsive Politics touts the sugar program as "white gold" for sugar producers and characterizes it as the "Energizer Bunny of U.S. government policy." It keeps going and going with no end in sight.

The Center for International Economics stated that the "U.S. Sugar Program does not sit comfortably as part of U.S. trade policy. High sugar protection harms the credibility of U.S. initiatives for freer trade." The World Trade Organization has pointed out its inefficiencies. The World Bank has dedicated consideration attention to the high costs of U.S. sugar policies.

The National Center for Public Policy Research concluded that the sugar program was "one of the federal government's most ridiculous programs" and should be ended.

In a recent USA Today editorial, advice was offered to politicians—"Repeat this sweetheart deal before another crop of unneeded sugar gets planted."

The Coalition for Sugar Reform also supports elimination of this costly program. The Coalition represents such groups as Citizens Against Government Waste, Everglades Trust, Consumers for World Trade, and the United States Cane Sugar Refiners' Association.

In a letter of support for ending the program, the Coalition states the amendment we are offering today "will finally compel change in a program that can no longer be sustained or justified."

What more evidence do we need to end this lop-sided sugar policy? Why should the federal government and American taxpayers be expected to continue support for this program that is running rampantly out of control and clearly violates free market and free trade principles?

Mr. President, I want to make clear once again—today's vote is important to protect American consumers and taxpayers.

The recent million-dollar sugar bail-out is the final straw that will break the camel's back for this failed program.

I would like to quote from the New York Times editorial of July 14, 1997.

A combination of import restrictions, guaranteed prices and subsidized loans keeps sugar prices artificially high, roughly twice the level in other countries, and thus transfers about \$1.5 billion a year from consumers to a handful of large sugar growers. Almost half of the benefits from the sugar program go to little more than 1 percent of growers. The high prices act like a tax on food, hitting hardest at poor families who typically spend a large fraction of their budget on food and other necessities. If the Schumer-Miller proposal passes, sugar prices could fall 20 cents for a five-pound bag.

The sugar growers justify their subsidies as needed to counter foreign-subsidized imports and to protect the jobs of domestic workers. Neither argument withstands scrutiny. There are ample rules to prevent foreign countries from "dumping" government-subsidized sugar in United States markets. Also, by propping up raw sugar prices, the program has driven half the United States sugar refiners out of business or out of the country, taking jobs with them.

There is a second, powerful reason to eliminate sugar subsidies. They breed excessively production of sugar cane in environmentally sensitive areas. In the Florida Everglades, about a half-million acres of wetlands have been converted to sugar cane production. Excessive sugar cane production has interrupted water flows and contaminated the Everglades with polluted agricultural run-off.

Mr. President, I ask unanimous consent that the New York Times editorial and the Wall Street Journal article of April 27, 2000, be printed in the RECORD.

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

[From the Wall Street Journal, April 27, 2000]

BIG SUGAR SEEKS BAILOUT, GIVES MONEY TO HELP GET WAY

(By Bruce Ingersoll)

WASHINGTON.—Never have old hands at the Agriculture Department seen such a turnout: 11 U.S. senators trooping into Secretary Dan Glickman's office to lobby for a big sugar-industry bailout.

"When you have 11 senators showing up," says Florida sugar-company executive Robert Buker, "that's horse-power"—enough power, he believes, to push an ambivalent Clinton administration into an unprecedented market intervention to bail out distressed U.S. sugar producers.

The producers are floundering beneath a market-depressing glut of sugar. Comes October, they face another problem: a ten-fold jump in Mexican sugar imports. The federal sugar-loan program, which has cosseted them for nearly two decades is suddenly in danger of imploding.

So, to shore up the domestic market, sugar lobbyists are imploring administration officials to authorize a bold sugar-buying spree. Only by spending \$100 million now to buy sugar and boost market prices, they contend, can the government hope to head off a much costlier wave of sugar-loan forfeitures later this summer, in the midst of an election campaign.

Fighting the sugar lobby at every turn is a well-financed alliance of consumer groups, candy makers, confectioners and other major users of sweeteners. Their vision of the sweet hereafter is a deregulated sugar industry, and they want the administration to let the market sink. Says Jeff Nedelman, spokesman for the Coalition for Sugar Reform:

"The whole house of cards is starting to collapse."

The government has long managed to keep U.S. sugar prices far above the world price, largely by curtailing imports of lower-cost sugar. That benefits producers, obviously, though it also means consumers get stuck with a price-support tab—estimated at more than \$1 billion a year—in the form of higher sugar, candy and soft-drink prices.

But in recent months, due to rising sugar plantings and improving yields, prices have fallen below the guaranteed price-support levels of 18 cents a pound for raw cane sugar and 22.9 cents for refined beet sugar. Lately, prices are up a little in anticipation of a bailout. Under the loan program, sugar processors who put up sugar as collateral are entitled to forfeit their crop, keep the loan money and let the government eat the loss.

Processors are threatening to forfeit as much as 1.4 million tons of sugar valued at an estimated \$550 million. The sugar lobby's pitch to Mr. Glickman and White House officials is that buying 300,000 to 350,000 tons immediately will give the market enough lift to avert massive forfeitures at the end of August and September. Sugar prices are at a 20-year low," says Sen. Larry Crag, an Idaho Republican. "The potential for loan forfeitures . . . is very real."

The senators visiting Mr. Glickman on March 26—all but one from major sugar-producing states—told the agriculture secretary that "he needed to get on the stick," says Mr. Buker, senior vice president of United States Sugar Corp., the nation's largest processor. On April 6, a dozen sugar-state lawmakers met with White House Chief of Staff John Podesta. They and the industry fear costly forfeitures would be a public-relations debacle, sparking moves in Congress to scrap the shaky program.

Administration officials wouldn't be so hesitant about buying heaps of sugar if they knew what to do with it. One option is to sell excess sugar on the world market at cut-rate prices, but that would-be just as controversial as Europe's oft-deplored dumping practices. Another is to donate it overseas as humanitarian aid, but so far no country has shown any interest in empty calories.

Limited amounts could possibly be used for school lunches and other feeding programs. The only other viable option is to use it as feedback for ethanol plants, but it would have to be dirt-cheap to compete with corn, which sells for a nickel a pound.

Diverting sugar into ethanol, a fuel additive, would displace corn, costing farmers \$100 million a year, the National Corn Growers Association argues. They shouldn't have to "shoulder the burden" of bailing out sugar producers, the association says.

Adding to the difficulty of a bailout is the opposition from politicians who represent more sugar consumers than producers. Splurging on sugar would be a "quick fix" of "dubious legality," 15 House members asserted in a bipartisan letter. It would bestow a "bonanza" on processors, without preventing forfeitures in the end, Senate Agriculture Committee Chairman Richard Lugar cautioned last week. The Indiana Republican also warned that "dumping" sugar overseas would infuriate trading partners.

Ultimately, though, such considerations may not offset the political leverage of Big Sugar, which gave Democrats and Republicans \$7.2 million between 1995 and 1999, more than any other commodity group in Washington. The fact that the meeting with Mr. Glickman was attended by New Jersey Sen. Robert Torricelli, who hails from a state with no sugar growers but is chairman of the Democratic Senatorial Campaign Committee, highlights sugar's importance in an election year.

At least three sugar states—Michigan, Ohio and Florida—are seen as being in play in the presidential race. Earlier this year, Florida Crystals Inc., owned by the Cuban-born Fanjul family, gave Sen. Torricelli's committee \$50,000. Last July, Alfson Fanjul hosted a \$25,000-a-couple dinner, attended by President Clinton, raising more than \$1 million for the Florida Democratic Party. Mr. Fanjul is renowned for calling up the president to discuss sugar-related issues.

Particularly desperate are three big Hawaiian sugar-cane producers, Gay & Robinson Sugar Co., an Alexander & Baldwin Inc. subsidiary and Amfac/JMB-Hawaii; Inc., whose first shipload of the season is due to reach the mainland next week. Unlike their counterparts, they are "price-takers," says the lobbyist, Dalton Yancey. Under an exclusive contract with a refinery on San Francisco Bay, they are obligated to base the price of arriving shiploads on the going New York price, no matter how far it falls below the guaranteed price-support level. The contract doesn't allow putting sugar under loan or forfeiting it.

Adding to the industry's problems is a looming surge of Mexican imports. In October, under terms of the North American Free Trade Agreement, Mexico will be free to ship 250,000 metric tons of low-duty sugar into the U.S.

Despite more than a 20% drop in prices since 1996, sugar production is still much more profitable than raising grain or cotton. The result is that the nation's 10,000 cans and beet growers are shifting more land into sugar. Their lobbyists portray them as suffering from agriculture's woes, including crop failures and lost markets, when in fact most fare better than nonsugar producers.

All told, the sugar problem threatens to haunt the White House and Vice President Al Gore's presidential bid. It could complicate the coming visit of Mexico's president to Washington, and could further hamstring U.S. efforts to open up overseas markets for meat, corn sweetener and other foodstuffs.

Ironically, the administration could have avoided the whole sticky mess. But Messrs. Glickman and Podesta, under intense industry pressure, went along with an administrative decision last fall to reinstate the guaranteed minimum price, even though under a 1996 change in the loan program it shouldn't have been offered to processors.

Now, the industry is arguing that "sugar is in crisis," in the words of Jack Roney, economist for the American Sugar Alliance.

[From the New York Times, July 14, 1997]

END SUGAR'S SWEET DEAL

The House will vote again soon on whether to eliminate loan subsidies that keep sugar prices high while fostering destruction of the Florida Everglades. A bipartisan proposal sponsored by Charles Schumer, Democrat of New York, and Dan Miller, Republican of Florida, to phase out sugar subsidies barely lost last year. It may come up for another vote this week in the form of an amendment to an appropriations bill. That will give the House a second chance to put the interests of consumers and the environment over those of a small crowd of politically powerful sugar growers.

A combination of import restrictions, guaranteed prices and subsidized loans keep sugar prices artificially high, roughly twice the level in other countries, and thus transfers about \$1.5 billion a year from consumers to a handful of large sugar growers. Almost half of the benefits from the sugar program go to little more than 1 percent of growers. The high prices act like a tax on food, hitting hardest at poor families who typically

spend a large fraction of their budget on food and other necessities. If the Schumer-Miller proposal passes, sugar prices could fall 20 cents for a five-pound bag.

The sugar growers justify their subsidies as needed to counter foreign-subsidized imports and to protect the jobs of domestic workers. Neither argument withstands scrutiny. There are ample rules to prevent foreign countries from "dumping" government-subsidized sugar in United States markets. Also, by propping up raw sugar prices, the program has driven half the United States sugar refiners out of business or out of the country, taking jobs with them.

There is a second, powerful reason to eliminate sugar subsidies. They breed excessive production of sugar cane in environmentally sensitive areas. In the Florida Everglades, about a half-million acres of wetlands have been converted to sugar cane production. Excessive sugar cane production has interrupted water flows and contaminated the Everglades with polluted agricultural runoff.

When the Schumer-Miller bill comes up for a vote, representatives who claim to defend the interests of ordinary consumers ought to vote yes. The bill lost narrowly last year in part because some urban representatives—including Gary Ackerman, Jose Serrano and Thomas Manton of New York—voted no. They harmed their own constituents but can make amends this week.

Mr. McCAIN. Mr. President, I now quote from the April 27, 2000, article from the Wall Street Journal entitled "Big Sugar Seeks Bailout."

Never have old hands at the Agriculture Department seen such a turnout: 11 U.S. senators trooping into Secretary Dan Glickman's office to lobby for a big sugar-industry bailout.

"When you have 11 senators showing up," says Florida sugar-company executive Robert Buker, "that's horsepower"—enough power, he believes, to push an ambivalent Clinton administration into an unprecedented market intervention to bail out distressed U.S. sugar producers.

The producers are floundering beneath a market-depressing glut of sugar. Come October, they face another problem: a tenfold jump in Mexican sugar imports. The federal sugar-loan program, which has cosseted them for nearly two decades, is suddenly in danger of imploding.

So, to shore up the domestic market, sugar lobbyists are imploring administration officials to authorize a bold sugar-buying spree. Only by spending \$100 million now to buy sugar and boost market prices, they contend, can the government hope to head off a much costlier wave of sugar-loan forfeitures later this summer, in the midst of an election campaign.

Mr. President, the article is very revealing in that it describes the top contributors in the year 1999 and the amounts of money that have been distributed. It is quite remarkable in its entirety.

I quote from an article in Time magazine, November 1998, entitled: "Sweet Deal, Why Are These Men Smiling? The Reason is in Your Sugar Bowl."

Occupying a breathtaking spot on the southeast coast of the Dominican Republic, Casa de Campo is one of the Caribbean's most storied resorts . . . and that's truth in advertising. The place has 14 swimming pools, a world-class shooting ground, PGA-quality golf courses and \$1,000-a-night villas.

A thousand miles to the northwest, in the Florida Everglades, the vista is much dif-

ferent. Chemical runoff from the corporate cultivation of sugar cane imperils vegetation and wildlife. Polluted water spills out of the glades into Florida Bay, forming a slimy, greenish brown stain where fishing once thrived.

Both sites are the by-product of corporate welfare.

In this case the beneficiaries are the Fanjul family of Palm Beach, Fla. The name means nothing to most Americans, but the Fanjuls might be considered the First Family of Corporate Welfare. They own Flo-Sun Inc., one of the nation's largest producers of raw sugar. As such, they benefit from federal policies that compel American consumers to pay artificially high prices for sugar.

Since the Fanjuls control about one-third of Florida's sugar-cane production, that means they collect at least \$60 million a year in subsidies, according to an analysis of General Accounting Office calculations. It's the sweetest of deals, and it's made the family, the proprietors of Casa de Campo, one of America's richest.

The subsidy has had one other consequence: it has helped create an environmental catastrophe in the Everglades. Depending on whom you talk to, it will cost anywhere from \$3 billion to \$8 billion to repair the Everglades by building new dikes, rerouting canals and digging new lakes.

Growers are committed to pay up to \$240 million over 20 years for the cleanup. Which means the industry that created much of the problem will have to pay only a fraction of the cost to correct it. Government will pay the rest. As for the Fanjuls, a spokesman says they are committed to pay about \$4.5 million a year.

Do a little arithmetic. We got \$60 million in Federal subsidies, of which they will pay \$4.5 million for the Everglades. Not a bad deal.

How did this disaster happen? With your tax dollars. How will it be fixed? With your tax dollars.

It is not news that sugar is richly subsidized, or that the Fanjuls have profited so handsomely. Even as recently as 1995, when Congress passed legislation to phase out price supports for a cornucopia of agricultural products, raw sugar was spared. Through a combination of loan guarantees and tariffs on imported sugar, domestic farmers like the Fanjuls are shielded from real-world prices. So in the U.S., raw sugar sells for about twenty-two cents a pound, more than double the prices most of the world pays. The cost to Americans: at least \$1.4 billion in the form of higher prices for candy, soda and other sweet things of life. A GAO study, moreover, has estimated that nearly half the subsidy goes to large sugar producers like the Fanjuls.

A spokesman for Flo-Sun, Jorge Dominicus, said the company disagrees with the GAO's estimate on the profits the Fanjuls and other growers derive from the program.

"That is supposed to imply somehow that our companies receive \$60 million in guaranteed profits," he said, "and that is flat-out not true. Our companies don't make anywhere near that kind of profit."

Dominicus, like other proponents of the sugar program, contends that it doesn't cost taxpayers a penny and is not unlike government protection of other American industries. "If our [sugar policy] is corporate welfare, which I don't believe it is, then all trade policy is corporate welfare," he says.

Flo-Sun is run by four Fanjul brothers, Alfonso ("Alfie"), Jose ("Pepe"), Andres and Alexander. Their family dominated Cuba's sugar industry for decades, and they came to this country with their parents in 1959, after

Fidel Castro seized power. The Fanjuls arrived just as a U.S. Army Corps of Engineers project to control the flow of water in the Florida Everglades made large-scale development possible. The total acreage planted in sugar cane there soared—from 50,000 acres in 1960 to more than 420,000 today.

Within that swampy paradise lies yet another subsidy. Each year, according to a 1997 estimate, the Army Corps of Engineers spends \$63 million to control water flow in central and south Florida. This enables growers to obtain water when they need it or restrain the flow during heavy rains. Of the \$63 million, the Corps estimates \$52 million is spent on agriculture, mainly sugar-cane farmers, in the Everglades.

The article further states:

Though by no means the largest special interest in Washington, the sugar lobby is one of the most well-heeled. And among growers, the Fanjuls are big givers. And among growers, the Fanjuls are big givers. Family members and corporate executives have contributed nearly \$1 million so far in this decade, dividing the money fairly evenly between political parties.

This knack for covering for political bases carries all the way to the top of the Fanjul empire. Alfonso Fanjul served as co-chairman of Bill Clinton's Florida campaign in 1992. His brother Pepe was national vice chairman of finance for Bob Dole's presidential campaign in 1996 and was host to a \$1,000-a-head fund raiser for Dole at his Palm Beach mansion. After Clinton's 1992 victory, Alfie was a member of the select group invited by the Clinton camp to attend the President-elect's "economic summit" in Little Rock, Ark.

Careful readers of Kenneth Starr's impeachment report to Congress will note that on Feb. 19, 1996, . . . The two spoke for 22 minutes. The topic: a proposed tax on sugar farmers to pay for the Everglades cleanup. Fanjul reportedly told the President he and other growers opposed such a step, since it would cost them millions. Such a tax has never been passed.

That is access.

I will be glad to continue this debate, and I will be glad to again enter into a time agreement on this amendment when it is appropriate for me to have it considered by the full Senate.

I ask unanimous consent to add Senator BROWBACK and Senator FITZGERALD as cosponsors.

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

Mr. McCAIN. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I ask my colleague from Mississippi—I know he has the right to the floor—could I make a request to my colleagues? I have been on the floor for several hours waiting to introduce an amendment. I ask unanimous consent that after the McCain amendment I be allowed to introduce an amendment.

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

The Senator from Mississippi.

Mr. COCHRAN. I understand we have been able to reach an agreement on the list of amendments remaining in order to be offered to this bill. I am prepared, now, to make that unanimous consent request.

Mr. REID. Will the Senator withhold?

Mr. COCHRAN. I am happy to withhold and happy to yield to the Senator from Nevada.

Mr. REID. One moment.

Mr. COCHRAN. Mr. President, I understand not all of the agreement can be agreed to at this point, but I will recite that which can be agreed to if there is no objection. We will see if there is.

I ask unanimous consent that the following amendments be the only remaining first-degree amendments in order to the pending Agriculture appropriations bill, that they be subject to relevant second-degree amendments, and no points of order be considered waived by this agreement.

I will submit a list of amendments rather than reading them.

The list follows:

Jeffords: Drug importation.
 Burns: Crop Insurance Program.
 B. Smith: Wildlife services.
 B. Smith: Relevant to list.
 B. Smith: Relevant.
 B. Smith: Relevant.
 B. Smith: Relevant.
 B. Smith: RU486.
 B. Smith: Sanctions.
 B. Smith: Sanctions.
 B. Smith: Sanctions.
 B. Smith: Sanctions.
 Abraham: Prescription drugs.
 Ashcroft: Relevant.
 Ashcroft: Relevant.
 Chafee: Sanctions.
 Warner: Relevant.
 Warner: Relevant.
 G. Smith: Goose related crop depredation.
 Santorum: National robotics consortium.
 Santorum: African farming.
 Collins: Relevant.
 Abraham: Relevant.
 Abraham: Asparagus.
 Gramm: Relevant to list.
 Gramm: Relevant.
 McCain: Relevant.
 McCain: Relevant.
 McCain: Relevant.
 Cochran: Relevant.
 Cochran: Relevant.
 Cochran: Relevant.
 Cochran: Relevant.
 Nickles: Relevant.
 Campbell: Bison meat.
 Grams: Finpack.
 Grams: Ratites.
 Lott: Relevant to list.
 Lott: Relevant to list.
 Stevens: Relevant.
 Stevens: Relevant.
 Jeffords: Dairy exports.
 Hutchinson: Relevant.
 McConnell: Sulfites in wine.
 Sessions: Emergency feed operations.
 Sessions: Emergency feed operations.
 Sessions: Satsuma orange frost research.
 Specter: Amtrack.
 Thurmond: Relevant.
 Akaka: Agriculture product.
 Baucus: Oregon inlet (point of order).
 Baucus: Beef industry compensation.
 Baucus: Food Stamp Montana.
 Baucus: Northern plains.
 Baucus: Montana sheep industry.
 Baucus: Oregon inlet.
 Boxer: Citrus imports.
 Boxer: Organic wine.
 Boxer: Relevant.
 Byrd: Relevant.
 Byrd: Relevant.
 Cleland: Emergency loans, poultry producers.
 Conrad: Motion to instruct conferees.

Conrad: Relevant.
 Conrad: Relevant.
 Daschle: Relevant.
 Daschle: Relevant.
 Daschle: Relevant.
 Daschle: Relevant to any amendment on the list.
 Daschle: Relevant to any amendment on the list.
 Daschle: Strategic Energy Reserves.
 Daschle: Agricultural competition.
 Daschle: CRP contract integrity.
 Daschle: Wetlands pilot.
 Dodd: Oysters.
 Dodd: Relevant.
 Dorgan: Relevant.
 Dorgan: Relevant.
 Dorgan: Disaster aid.
 Dorgan: Bison meat.
 Dorgan: Food aid.
 Dorgan: Drug importation (with Jeffords).
 Durbin: Point of order/motion to strike re: hard rock mining.
 Edwards: USDA community facilities.
 Edwards: Relevant.
 Feingold: Relevant.
 Feingold: Relevant.
 Feingold: Relevant.
 Feingold: Relevant.
 Feinstein: Citrus.
 Feinstein: Rice.
 Feinstein: Relevant.
 Feinstein: Relevant.
 Graham: Cuba sanctions.
 Graham: Citrus canker.
 Graham: Nursery crops.
 Graham: Relevant.
 Harkin: Emergency watershed.
 Harkin: GIPSA.
 Harkin: GIPSA emergency.
 Harkin: Meat and poultry inspection.
 Harkin: Agrability.
 Harkin: Renewable fuels.
 Harkin: Renewable fuels.
 Harkin: Methamphetamine.
 Harkin: FDA.
 Harkin: Relevant.
 Harkin: Relevant.
 Harkin: Relevant.
 Harkin: Relevant.
 Inouye: Commodity Credit Corp (CCC).
 Inouye: Relevant.
 Johnson: Relevant.
 Johnson: Relevant.
 Johnson: Relevant.
 Kennedy: Food safety.
 Kennedy: Prescription drugs.
 Kohl: Relevant.
 Kohl: Relevant.
 Kohl: Relevant.
 Kohl: Relevant.
 Kohl: Manager's amendment.
 Landrieu: Agricultural research.
 Leahy: Relevant.
 Leahy: Relevant.
 Levin: Relevant.
 Levin: Relevant.
 Levin: Relevant.
 Lieberman: Relevant.
 Lincoln: Relevant.
 Lincoln: Relevant.
 Reed: Lobster shell disease.
 Reed: Hunt River watershed (ground water source).
 Reed: Pocasset River plug (flood plain management).
 Reed: Pocasset River plug (flood plain management).
 Reed: Relevant.
 Reed: Relevant.
 Reid: Relevant.
 Reid: Relevant to any amendment on the list.
 Robb: Tobacco research.
 Torricelli: Specialty crops.
 Torricelli: Domestic violence.
 Torricelli: Lead.
 Torricelli: SOS domestic violence.

Torricelli: Relevant.
 Torricelli: Relevant.
 Wellstone: GIPSA funding.
 Wellstone: Calculation of farm income.
 Wellstone: Food Stamp study.
 Wellstone: Summer Food Program.
 Wellstone: Telework Amendment No. 1.
 Wellstone: Telework Amendment No. 2.
 Wyden: Relevant.
 Wyden: Relevant.

Mr. COCHRAN. I further ask consent that following the disposition of the above-listed amendments, the bill be advanced to third reading and passage occur, all without any intervening action or debate. I also ask the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, those being the entire subcommittee plus Senators STEVENS and BYRD.

The PRESIDING OFFICER. Is there objection?

Mr. REID. No objection.

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

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi still has the floor.

Mr. COCHRAN. I am happy to yield to my friend from Nevada.

Mr. REID. Mr. President, I say to my friend, the manager of the bill, and also the Senator from Arizona, we will withdraw our objection now. We will allow Senator MCCAIN to proceed to offer his amendment, if that is appropriate.

Mr. COCHRAN. The objection, not to the last part of the agreement?

Mr. REID. I stated no objection to the agreement. The last part is out.

Mr. COCHRAN. The Senator is suggesting it is okay for Senator MCCAIN to proceed and complete action on his amendment?

Mr. REID. What the Senator read is appropriate. There is provision in there, a little short paragraph at the end that you did not read. We do not agree with that. So the unanimous consent agreement—

Mr. COCHRAN. As stated, you have no objection.

Mr. REID. In the first two paragraphs, that is correct. I said that. I also state we have no objection to setting the Harkin amendment aside so the Senator from Arizona can now offer his amendment.

I ask unanimous consent the Harkin amendment be set aside.

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

The Senator from Arizona.

AMENDMENT NO. 3917

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Mr. GREGG, Mr. SCHUMER, Mr. LUGAR, Mr. BROWNBACK, and Mr. FITZGERALD, proposes an amendment numbered 3917.

Mr. McCAIN. 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:

(Purpose: To prohibit the use of appropriated funds for the sugar program)

On page 75, between liens 16 and 17, insert the following:

SEC. 7. SUGAR PROGRAM.—None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272).

Mr. McCAIN. Mr. President, I could spend more time. I ask unanimous consent an article from the Savannah Morning News entitled "Two Sides of the American Dream" be printed in the RECORD.

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

[From the Savannah Morning News, August 3, 1997]

TWO SIDES OF THE AMERICAN DREAM
(By Bob Sechler)

By some accounts, Alfonso and Jose Fanjul personify the American Dream—Cuban-born immigrants who arrived in the United States almost 40 years ago, emerging as millionaire sugar growers through pluck and hard work.

But others say the brothers are better symbols of what ails the country. Their ostentatious lifestyles, complete with Palm Beach, Fla., mansions, yachts and chauffeured limousines, are the spoils of a corporate welfare system that rewards wheeler-dealers willing to ante up for political influence, critics say.

"They know how to play the game, and they know who to hire to play the game," said Joe Garcia, a representative of Save the Everglades in Florida, an environmental group that has tangled repeatedly with the Fanjuls (pronounced Fahn-hool) and their Flo-Sun sugar empire.

Regardless of which Fanjul family portrait proves most accurate, Savannahians likely will get to know the brothers well.

The Fanjuls and Flo-Sun will hold a controlling interest in Savannah Foods and Industries—a major local employer and an 80-year corporate fixture in Chatham County—if a proposed merger with a Flo-Sun subsidiary is approved by Savannah Foods' stockholders in October.

"One thing you can say about them is they know sugar," said Tom Hammer of the Sweetener Users Association.

Hammer's group, which represents candy manufacturers and other industrial sugar users, has lined up against the Fanjuls—and lost—in political battles over the federal sugar program, which provides huge benefits to growers such as Flo-Sun.

Still, Hammer voices a grudging respect for the family and its sugar success.

"They are formidable opponents in terms of knowing what is the best system for them and being willing to stand up for it," he said. "That is the political system at work."

FROM CUBA TO FLORIDA

The Fanjuls' roots in sugar date to pre-revolutionary Cuba, where their family had dominated the industry since the 19th century.

But the family fled Cuba when Fidel Castro came to power, buying 4,000 acres in Florida in 1960 and beginning Flo-Sun.

The company's success since then has been phenomenal, ballooning to 180,000 acres of

cane fields and accounting for 40 percent of the sugar grown in Florida. The worth of the private sugar empire has been estimated at \$500 million, not including extensive outside holdings by the family elsewhere in the United States and in the Dominican Republic.

But the success of Flo-Sun, and of the Fanjul brothers who now run it, is attributable as much to acknowledge of the sugar industry as it is to a knack for American-style politics.

The Fanjuls—Alfonso, 59, Jose, 53, and other family members—have been active at all levels of government when their interests are at stake, and they've always been willing to back up their positions with their check-books.

They helped fight off a proposed Florida measure last year that would have assessed a penny-a-pound tax on raw sugar to fund Everglades restoration. Flo-Sun and other Florida sugar growers combined on a \$22.7 million campaign aimed at defeating the plan, compared to \$13 million spent by Florida environmentalists and other proponents of it.

Neither brother is a U.S. citizen, but Alfonso co-chaired President Clinton's 1992 Florida campaign and Jose served on the campaign finance committee of 1996 GOP contender Bob Dole. The two Fanjuls recently applied for U.S. citizenship.

Flo-Sun and its subsidiaries donated \$224,500 to the national Democratic Party from 1995-1996 and \$319,000 to the Republicans. The amounts don't include contributions to individual candidates.

"The Fanjul brothers play interesting, both-sides-of-the-street politics here in Washington," said Burton Eller, who has faced off against Flo-Sun as chairman of the Coalition for Sugar Reform, a group bent on dismantling the federal program that benefits sugar growers such as Flo-Sun.

Some observers say the goal of the brothers' two-pronged politicking has been to preserve the status quo—which includes a lucrative federal system of price supports and import quotas that benefit domestic sugar growers.

Others dismiss the criticism as the whining of losers.

"Their efforts to be involved in government are commendable," said U.S. Rep. Mark Foley, a Florida Republican who represents the Fanjuls' south Florida home base.

"When has that become a crime?" asked Foley, who collected \$4,000 in contributions from the brothers and Flo-Sun last year. "They live here. They pay taxes. They employ people, and they live within the boundaries of the system."

Flo-Sun received up to \$64 million in benefits in one year alone under the federal sugar program, according to an estimate by the government's General Accounting Office.

The Fanjuls and other sugar growers won a heated political battle last year to maintain the program. The federal price supports and import quotas that benefit sugar growers are preserved in the 1996 federal Farm Bill, which outlines farm policy through 2002, even though subsidies for many other farm products are being phased out.

EXPENSIVE VICTORY

But the win in the Farm Bill fight cost the Fanjuls more than money. It came at a time of increased scrutiny on campaign finance and when consumer advocacy groups were blasting the federal sugar program as nothing more than a handout to big sugar growers.

The timing brought unwanted focus on the Fanjuls—known for being intensely private—and resulted in them being dubbed "poster boys for corporate welfare," among other

things, in unflattering profiles in several national publications.

Photographs of their sports cars and mansions and descriptions of a jet-setting lifestyle fueled the fire.

Flo-Sun spokesman Jorge Dominicus said the Fanjuls couldn't comment this week because of a mandated Securities and Exchange Commission "quite time" leading up to all mergers involving public companies, such as Savannah Foods. Representatives of Savannah Foods have declined comment for the same reason.

But Foley said much of the focus on the Fanjuls' lifestyle and political activity has been unfair.

"Some of it is born out of, I don't want to say prejudice, but they are Cubans and they've come here and they've been very successful," he said.

"They came from a land where all their property was taken (by Castro), and they've emerged very successful. It's been called corporate welfare, but they play on the same playing field as everyone else."

Luther Markwart, chairman of the U.S. Sugar Beet Growers Association, an ally of cane growers such as Flo-Sun, also said the criticism of the Fanjuls is baseless.

"They're very smart businessmen and their family has been in sugar for six generations," Markwart said. "The people that are calling them the names, are the big industrial users (of sugar) and some of the environmentalists down there" in Florida.

None of the public criticisms of the Fanjuls has questioned their business acumen.

Still, Savannah Foods stock has plummeted since the announcement several weeks ago of the proposed merger with a Flo-Sun subsidiary. Stock in Savannah Foods has dropped from nearly \$19 a share prior to the announcement to \$14.12 a share now.

The slide is being attributed largely to a sense that Savannah Foods isn't reaping full value for its assets in the proposed merger.

Under the terms of the deal, the Fanjuls and Flo-Sun will control 83 percent of shareholder voting strength in the merged company despite owning only 58 percent of the shares.

"It's basically a question of a public company that is going to be in the hands of private people, for the most part," said Victor Zabavsky, an analyst with Value Line Publishing in New York who follows Savannah Foods.

But if the merger goes through, Foley said average Savannahians who look to Savannah Foods as a major employer and a good corporate citizen have nothing to fear.

"A lot of the media spotlight on (the Fanjuls) has been negative," Foley said. "But that's not the Fanjuls—they want to be good corporate citizens. They're certainly going to be very concerned with the community and the employment base of Savannah Foods."

"Its not just political coffers they pour money into," he said. "They help virtually every charity that asks. They are very philanthropic."

TOP STORIES

Alfonso Fanjul, 59

A native of Cuba who received a bachelor's in business administration from Fordham University in New York City.

Chairman and chief executive officer of Flo-Sun. He also will serve in the same capacity in a new company formed through the merger of Flo-Sun subsidiary Florida Crystals and Savannah Foods and Industries.

A prominent Democrat who co-chaired President Clinton's 1992 Florida campaign.

Among other endeavors, he is a trustee of the University of Miami, the Intracoastal

Health Foundation and the Good Samaritan/St. Mary's Hospital.

Jose "Pepe" Fanjul, 53

A native of Cuba who received a bachelor's in economics from Villanova University and a master's in business administration from New York University.

President and chief operating officer of Flo-Sun. He'll serve in the same capacity in a new company formed through the merger of Flo-Sun subsidiary Florida Crystals and Savannah Foods and Industries.

A prominent Republican who served on the campaign finance committee of 1996 GOP presidential contender Bob Dole. He also is vice chairman the national Republican Party's finance committee.

Among other endeavors, he is a trustee of the intracoastal Health Foundation, the Good Samaritan/St. Mary's Hospital and the American Friends of the Game Conservancy. He also is a director of the Knights of Malta, the Americas Society, the Spanish Institute and the New Hope Foundation.

Fanjul's news clippings

Sugar growers such as Flo-Sun successfully defended their lucrative system of federal price supports and import quotas in a heated political battle over the 1996 Farm Bill. But last year's Farm Bill fight, along with renewed calls for campaign finance reform, have focused national media attention on Flo-Sun's Fanjul family and its practice of lavish political contributions. Here is a breakdown of what some publications and organizations have had to say about Flo-Sun and the Fanjuls.

Center of Responsive Politics: "With their wealth conservatively estimated at several hundred million dollars, the Fanjuls can afford to spread around lots of political money. And they do. . . . The Florida sugar cane industry's campaign contributions may have helped preserve the federal price-support system for sugar."

George magazine: "Though Cuban citizens, the Fanjul brothers had proved quick students of American-style wheeling and dealing and before long were living much as they had in their pre-Castro homeland—only protected by even more wealth, power and Teflon."

Mother Jones magazine: "The Fanjuls' total (political) giving has been consistently underreported because they give through an array of family members, companies, executives and PACs. During the 1995-96 election cycle, members of the Fanjul family contributed \$774,500 to federal campaigns. . . . It's an excellent investment. In return, a grateful Congress maintains a sugar price support program worth approximately \$65 million annually to the Fanjuls."

U.S. Sugar Corp.

U.S. Sugar Corp., another large Florida sugar grower, also is a major beneficiary of the federal sugar program. U.S. Sugar donated a combined \$230,000 to the national Democratic and Republican parties in 1995-96, not including contributions to individual candidates.

National Enquirer: "It's the sweetest deal on earth. Every time you buy a pound of sugar grown by the Fanjuls and other U.S. sugar growers, you pay more than a nickel extra—and the money goes right into their pockets."

New York Times: "The support program (for sugar) has kept some marginal producers in business while producing big profits for more efficient companies. The most conspicuous example of the latter is Flo-Sun, a huge operation north of the Everglades controlled by two brothers, Alfonso and Jose Fanjul. . . . Given their obvious interest in keeping the subsidy program alive, the

Fanjuls are lavish contributors to politicians in both parties—giving as much as \$3 million since 1979, by one estimate."

Mr. MCCAIN. There was an Associated Press article of May 12 entitled "Sugar Growers Get Bailout: Purchase of Surplus Will Cost Taxpayers About \$60 Million." I ask unanimous consent that be printed in the RECORD.

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

SUGAR GROWERS GET BAILOUT—PURCHASE OF SURPLUS WILL COST TAXPAYERS ABOUT \$60 MILLION

(By Philip Brasher)

WASHINGTON, May 12—The government plans to buy and store 150,000 tons of surplus sugar to bail out farmers who have produced so much of the stuff that prices have dropped 25 percent over the past year.

The Agriculture Department put off the decision about what to do with the sugar, which will cost taxpayers about \$60 million. The department has considered donating it overseas or else selling it at a steep discount for refining into ethanol, a fuel additive normally made from corn.

Growers have been threatening to forfeit to the government as much as \$550 million worth of sugar pledged as collateral on federal marketing loans.

FEND OFF LOAN FORFEITURES

"We are acting to help address dramatically low sugar prices," Agriculture Secretary Dan Glickman said in announcing the planned purchase. "By buying U.S. sugar now, we expect to save as much as \$6 million in administrative costs that the government might otherwise incur from expected loan forfeitures later this summer."

A coalition of candy- and food-makers, consumer advocates and environmental groups that opposes the sugar program had urged the administration to let prices fall.

"Obviously, the administration has no plan for disposing of the sugar," Jeff Nedelman, a spokesman for the group, said today.

"They cannot dump it overseas for fear of igniting a trade war. They cannot give it away for humanitarian aid, because no country wants it, and they cannot refine it into ethanol without fear of depressing corn prices. They have a crisis of their own making and no good answer."

FURTHER ACTION A POSSIBILITY

The department did not rule out buying more sugar. Farmers expect the Clinton administration "will take further action, as needed, to avoid forfeiture of sugar under loan to the government," said Ray VanDriessche, president of the American Sugarbeet Growers Association.

Glickman's decision came on the eve of a visit by President Clinton to Minnesota, a major sugar-growing state. Clinton and Glickman were to visit a farm outside of the Minneapolis-St. Paul area today to appeal for Congress to approve permanent trade relations with Cuba.

The government guarantees farmers a minimum price for domestic sugar through the loan program and quotas on imports, but increases in domestic production are making it difficult for USDA to control domestic prices.

Growers who put their sugar up as collateral for a federal loan have the right to forfeit the crop to the government if prices fall below the guaranteed price.

SURGERY NEEDED, NOT BAND-AIDS

"The sugar program does not need Band-Aids, it needs major surgery," groups opposed to the program said in a letter last month to Glickman.

Glickman urged sugar growers to cut back on plantings by idling land in the government's Conservation Reserve Program, which pays farmers to take acreage out of production.

"We expect the sugar industry to rapidly develop conservation and production options that can form the basis of a sustainable sugar policy," Glickman said. "Simply relying on continued government purchases over the longer term is neither feasible nor realistic."

Mr. MCCAIN. Mr. President, I quote:

The Agriculture Department put off the decision about what to do with the sugar, which will cost taxpayers about \$60 million. The department has considered donating it overseas or else selling it at a steep discount for refining into ethanol, a fuel additive normally made from corn.

"The sugar program does not need Band-Aids, it needs major surgery," groups opposed to the program said in a letter last month to Glickman.

Glickman urged sugar growers to cut back on plantings by idling land in the government's Conservation Reserve Program, which pays farmers to take acreage out of production.

Obviously, that has not happened.

I want to quote from an interesting one on June 16. Brian Williams of NBC Nightly News:

Now time for "The Fleecing of America." We have told you here before about price supports for sugar producers in this country, consumers paying what amounts to a hidden tax. Now, according to a new report from the General Accounting Office, what some already consider an outrageous fleecing of America is about to get even worse. Here's NBC's Lisa Myers.

LISA MYERS, reporter. For sugar beet farmers like Craig Halfmann, what critics claim already is a sweet deal is getting even sweeter. The government is using seventy million of your tax dollars to buy a hundred fifty thousand tons of sugar from farmers like Halfmann, enough sugar to lay five-pound bags end-to-end from New York to Los Angeles three times. Why? To prop up sugar prices by reducing supply.

CRAIG HALFMANN, sugar beet farmer. We're in a crisis situation and we're just asking the USA to help us out as farmers.

MYERS. But critics say it's ridiculous and a windfall, especially for big sugar producers, people who make millions. But we'll get to them in a moment. You see, those seventy million taxpayer dollars are in addition to the inflated prices you already pay for sugar and don't even know it.

SENATOR RICHARD LUGAR. This is one of the most serious outrages in the agriculture side consumers have never understood, that they are paying a tax every time they get a pound of sugar.

MYERS. And a candy bar, and cereal, even canned ham. It's all because of the sugar program, and here's how it works. The government uses import restrictions and price supports to keep the sugar supply down and drive prices up. Today the world price of sugar is about eight cents a pound. But US growers get more than twice that much, about twenty cents. And it all shows up right here, in what you pay. Experts estimate the average family of four spends an extra twenty-six dollars a year for sugar because of the program. This government report says that that works out to almost two billion dollars straight from your pockets to sugar producers. Supporters of the program insist it doesn't cost that much, and say struggling farmers need even more help this year, since bumper sugar crops drove down prices.

UNIDENTIFIED MAN. All the government has done is to come in and buy some of the surplus sugar. The government is holding that sugar. They will sell it eventually, possibly even at a profit.

MYERS. The Agriculture Department claims that buying excess sugar now may save taxpayer money.

KEITH COLLINS, USDA Chief Economist. Well, who benefits from the purchase, I think, is the taxpayer. We think that actually saves us some money and at the same time supports prices a little bit now.

MYERS. Not so, say consumer advocates.

ART JAEGER, Consumer Federation of America. The program gives too little money to the farmers who need the help, too much money to farmers who don't need the help.

MYERS. In fact, the biggest winners of all, critics say, are the biggest sugar growers, like Pepe and Alfonso Fonhou (sp?) of Palm Beach, Florida. They've earned as much as sixty-five million dollars a year from the program.

JAEGER. Anytime you ask consumers to pay one-point-five to two billion dollars a year more for food and the beneficiaries are largely wealthy sugar cane growers in south Florida, I think that's a fleecing of America.

Mr. President, I am sure I will hear from the opponents of eliminating this subsidy that this is simply a program for small farmers, for small growers. The facts do not bear that out. I want to repeat, the majority of this sugar subsidy money goes to the large sugar farmers who also, coincidentally, happen to be major political donors in the American political process.

I do not quite understand how my free-enterprise, free-market, less-government-intervention, less-government-regulation colleagues will come here to the floor and argue that somehow this program is good for American citizens. It is not. Clearly, the facts state that it is a subsidy paid to a privileged few and it costs American taxpayers and American families a great deal of additional money.

I know there are a lot of abuses. I know there are a lot of programs that favor a privileged few in American government. But this one is perhaps one of the most egregious, and we should stop it.

I say to my friends who will oppose this amendment: No. 1, I will be glad to means-test this amendment; No. 2, I will be glad to have a phaseout of the sugar subsidies as well. If you agree to neither, you are basically saying let's let the Fanjul brothers continue to get \$65 million a year in subsidies and let's let the American family pay it.

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. McCAIN. I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Idaho.

Mr. SCHUMER. Mr. President, today I join my colleague, Senator MCCAIN, to offer an amendment that phases out the Federal sugar program.

The current sugar program is one of the last vestiges of a centralized, subsidized U.S. farm sector which has

mostly gone by the wayside. This is a special interest program that benefits a handful of sugar barons at the expense of every man, woman and child in America.

Several years ago, the GAO estimated that consumers paid \$1.4 billion more at the cash register because of the sugar price support. Today, because the world price for sugar is lower and the price paid in the U.S. is higher, the cost to consumers could be twice as high.

And, and let's not forget that the sugar support system has already cost America thousands of refinery jobs. Why? Because the sugar program is such a bitter deal, refiners cannot get enough raw cane sugar to remain open. In Brooklyn and in Yonkers, we have lost one-third of our refinery jobs in the last decade. And it has already cost the Everglades hundreds of acres of pristine wilderness.

Four years ago, when we came within five votes in the House of terminating the sugar program, the world market price for sugar was about ten cents and the U.S. price about 20 cents. Today the world price is less than a nickel and the U.S. price is almost a quarter. In other words, the gulf between the free market and the sugar program is getting wider.

Under any reasonable and rational measure the sugar program should be repealed. If the issue is jobs, the environment or the consumer—then we have no choice but to repeal. Standing with me are liberal, moderate and conservative members of Congress. Standing with us are liberal, moderate and conservative public interest organizations. At all ends of the political spectrum the answer is the same—it's time to repeal the sugar program.

Mr. CRAIG. Mr. President, I rise in opposition to the MCCAIN amendment today. I certainly will not rise to the challenge the Senator from Arizona has placed. I never rise to the challenge of the editorial board of the New York Times or the tabloid test of NBC's "Fleecing of America." I did that once with the "Fleecing of America." I did because they were wrong. They had misused their facts, as they are misusing them now, and the Senator from Arizona has brought in those facts.

The reality is, I stand on the floor today to defend about 1,000 farmers in my State of Idaho, and I think you will hear from others today who defend American agriculture and its productive power and its ability to sustain itself within a world market and our willingness to put up reasonable safeguards to assure that sustainability at the local level. In my case, in Idaho, with nearly 1,000 sugar beet farmers, it is necessary and appropriate. I stand, not to apologize whatsoever, but to strongly support what I think is a necessary and appropriate program.

As with other commodities, those of us from agricultural States know that many in agriculture today are in crisis. They are at or below break even by a

substantial amount. There is no difference between the potato farmer of Idaho or the sugar beet farmer of Idaho or the corn farmer of Iowa today.

In the case of sugar, prices this year compared to last summer are down by about 26 percent, and as a result of that, the Government has responded aggressively and appropriately to the crisis in rural America, making approximately \$70 billion of total expenditures since 1966 to America's agricultural producers.

I am not going to apologize for that, and here is why: Banks are not going under; farms are not going under; America's food supply on the shelf is more abundant, safer, and of a higher quality than ever, at a lower price. The American consumer today spends less of his or her consumer dollar for American food, including sugar, than any other consumer in the world.

Should we apologize for that? I think not. What we have tried to do—and I think we have been reasonably successful—is balance out a domestic program with foreign competition while consistently working to open up foreign markets and clearly to liberalize the whole of the agricultural programs of this country.

USDA recently did purchase sugar. The Senator from Arizona has spoken to that. The reason they did was to try to stabilize the market and stabilize the price. There is no question that thousands of jobs in rural America depend on that action. I defended that action and I do now with no apology.

Sugar policy has run at largely no cost to the U.S. Government since 1985. I say that because what the Senator from Arizona failed to talk about was the amount of money directly contributed by the industry itself. In fact, it has been a revenue raiser. Since 1991, \$279 million have been placed in the Treasury by a special marketing tax paid directly by the sugar producers. Did the Senator from Arizona mention that? Oops, I guess the Wall Street Journal did not mention it, nor did the New York Times mention it, nor did the "Fleecing of America" mention it. Of course, if they did not mention it, it "ain't" worth mentioning.

The probable net cost of the announced purchase and removal of sugar has been more than covered by the revenues of the sugar policy. As I helped other Members of this Senate design that policy, that is exactly what we tried to do: to balance it out so the industry itself was self-financing.

Mr. MCCAIN. Will the Senator yield for a question?

Mr. CRAIG. I will not at this time. Let me finish my statement.

Mr. MCCAIN. The Senator mentioned a very important marketing assessment, which had been taken out in last year's omnibus bill.

Mr. CRAIG. Since 1991, the marketing assessment has raised \$279 million. That was my quote. That is a fact the Senator cannot dispute. This 132,000-ton purchase is a step toward

preventing the forfeiture of a much larger amount of sugar. USDA has estimated that 600,000 tons could be forfeited at a much higher cost to the Government—the Senator from Arizona is correct—based on current programs and current forfeitures. Pulling that sugar from the market now costs substantially less. The purchase saves the Government money and promotes the stopping of this kind of effort based on forfeiture, and that does save the American taxpayer money.

The purchase would not have been necessary and there would be no threat of forfeiture if sugar producers were not required, under the WTO and the North American Free Trade Agreement, to import about 15 percent of our consumption. I happen to have voted against the North American Free Trade Agreement because I felt this was a loophole that would potentially cost the producers of the State of Idaho their crops and maybe their farms. Now, of course, reality begins to bear itself out.

Further compounding the problem has been extensive import quota circumvention by a term that is now well known by those of us who are interested in agriculture. It is known as stuffed molasses. Low prices for other crops driving producers to beet and cane sugar production and extremely favorable weather conditions for the last 2 years have all contributed to the oversupply of sugar and the need for Government intervention.

Stuffed molasses, as my colleagues know, is a way of circumventing the law by loading up molasses with sugar, moving it through import into this country, then pulling it in and refining the sugar out of it. It is kind of like covering up, violating the law, if you will, in a legal way. It certainly violates the spirit of the trade agreement.

Allowing sugar prices to continue to fall will put more sugar farmers out of business, but it will not help consumers one bit. There is a general assumption on the part of those who oppose the sugar program that once you drop the price of sugar to the world price, all of a sudden candy bars get cheaper, soda pop gets cheaper, confectionery foods get cheaper, and we know that is not the fact. It has never been the fact. We might transfer a little profitability from the sugar farmer to the candy maker or to the soft drink producer, or to those who generally supply confectionery goods to the consumers of this country.

Does it translate through to the farmer? No, it does not, and it never has.

While the price food manufacturers and makers of candy—cereal, ice cream, cookies, and cakes—pay for sugar—they will always pay that amount. That is the character of the way the industry works. They simply either make a little more or make a little less, based on the margins in which they buy.

The truth of the matter is that in the U.S., the sugar program has saved the

consumer money by stabilizing the price across the board and, therefore, consistency. I remember long before I served in the Senate, without this sugar program, there were dramatic fluctuations in the marketplace. People were going in and out of business. Confectionery producers and soft drink suppliers were arguing at one point that sugar was so dramatically high that they had to raise their prices, and then sugar fell dramatically, but those prices did not come down. U.S. consumers pay about 20 percent less for sugar than does a consumer in other developed countries of the world.

It is strange that I could use that figure—and it is a figure of fact, well established in the marketplace. Why don't other developed countries' consumers pay what we do? They buy on the world market. They buy, as the Senator from Arizona suggests, at a much cheaper price. The reason is the stability we have offered and, therefore, the averages that are very important to look at when you are looking at an overall price of the issue.

Do I support the program? Yes, I do. Am I apologetic for it? No, I am not. The reason is very simple. Over the years, we have worked to craft a program that balances itself out and, in large part, has paid for itself. As we work to create a more open market and phase these kinds of programs out, I will support those efforts, too.

It is very important for the whole of this country that I think we create that kind of stability. I hope we can do so.

At the appropriate time, I, or the chairman of the subcommittee, will move to table the amendment of the Senator from Arizona for the simple reason that we think it would destabilize the markets of this country. It certainly would have a dramatic impact on my State and the 1,000-plus farmers who make up the sugar portion of Idaho's agriculture production.

With that, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise, as well, in defense of this program. I rise in defense because I represent a State that is one of the most agricultural States in the Nation. The fact is, this program has helped stabilize an otherwise disastrous situation.

This chart shows what has happened to sugar prices since the most recent farm bill. This is what has happened to refined beet sugar prices. On this chart it looks like a cliff because it is. Prices have collapsed. If we did not have something to counter the cycle, we would see mass bankruptcy in rural America. That is a fact.

The Senator from Arizona comes out and he reads clippings from various news articles. Unfortunately, those people know virtually nothing about what they are writing about. They say, over and over, that the world price of

sugar is 8 cents a pound. Absolute nonsense. The world price of sugar is not 8 cents a pound. The vast majority of sugar in the world moves under long-term contract at much higher prices than the 8 cents a pound. About 18 cents a pound—that is what most sugar in the world sells for. What the Senator from Arizona is talking about is what is reported in the popular press—repeatedly—which is flat wrong.

The price they are talking about is not the world price; the price they are talking about is the world dump price for sugar. It is what sugar sells for that is not under contract that is hard to sell. That is a dump price. It is far below the cost of production. It does not represent what sugar sells for in the world. It is an absolute fiction.

Every time we have ended the program, what has happened to prices? Let's ask that question. Because the suggestion from the Senator from Arizona is, if you would end this program—you phase it out—prices to consumers would go down.

Let's have a reality check.

What has happened in the times we have ended the program? Did prices go down or did prices go up? You know what happened? Prices skyrocketed. That is what happened when the program ended. The fact is, this is a program that stabilizes prices. And that is critical to the survival of thousands of family farmers.

The Senator from Arizona talks about one large interest as though that represents the totality of producers. Let me say to the Senator from Arizona, and to those who write these articles that attack the program and talk about one small group with large economic resources, what they are not doing is telling the whole story and telling the American people that literally thousands and thousands of family farmers are dependent on the stabilization this program provides. That is a fact.

Come to my State. Go farm to farm. Meet these families. They are not wealthy people. They are people trying to make it in an environment in which the prices of the products that they make have plunged. Without this program to stabilize prices, there would be financial ruination all across the heartland of America. Is that what the Senator from Arizona advocates? Is that what he wants to have happen? Because assuredly that would be the case.

One of the things that gets missed in this debate is this notion that somehow the United States is an island unto itself and that we do not have to worry about what the rest of the world is doing. If one would pay a little attention to what the rest of the world is doing, what one would find is that the United States is giving support to its producers at a level much lower than our major competitors.

This chart shows what our major competitors are doing in terms of support for their producers—\$324 an acre.

Here is the support we are giving our producers—\$34 an acre. By the way, these are not KENT CONRAD's numbers. These are numbers from the Organization for Economic Cooperation and Development.

Our major competitors are outgunning us 10-1. I would suggest the Senator from Arizona is recommending unilateral disarmament for our agricultural producers in what is, in effect, a trade war. He would never do it in a military confrontation—never. If the other side had 50,000 tanks, and we had 10,000 tanks, would the Senator from Arizona be out here recommending we cut the number of our tanks in half? Would that be the first move? I do not think so.

Mr. MCCAIN. Will the Senator allow me to answer his question?

Mr. CONRAD. After I complete my thought and presentation, I will be happy to.

Mr. MCCAIN. It is too bad the Senator will not yield.

Mr. CONRAD. No. I will be happy to after I complete my statement, as I allowed the Senator to complete his. I ask for the same courtesy from the Senator from Arizona as I extended to him.

We are outgunned 10-1. If our opposition had 50,000 tanks and we had 10,000, would the Senator from Arizona advocate cutting our number of tanks in half? That is exactly what we did in the last farm bill. They were supporting their producers at \$50 billion a year. We were providing on average of \$10 billion of support. And we cut our support in half.

I would be happy to yield to the Senator from Arizona.

Mr. MCCAIN. I say to the Senator from North Dakota, it is a frivolous statement. It has no connection to the estimated \$1.5 billion. The Senator from North Dakota said that I have been quoting from newspaper articles, et cetera. The Senator from North Dakota usually relies on the GAO.

I have heard him quote from the GAO quite often. What the GAO is saying is the sugar program cost domestic sweetener users about \$1.5 billion in 1996 and \$1.9 billion in 1998.

If a foreign government was subsidizing anything—as they are Airbus; and the United States with Boeing—of course, I would take my complaint to the World Trade Organization and we would see about the outcome. I would not build further protectionist barriers for a private manufacturer of any product whether they be tanks or not.

The Senator from North Dakota recently espoused fervently that we means test the estate taxes, the so-called death taxes. There was great lamenting on the other side of the aisle about the fact that wealthy people would get off scot-free, and that we should not let them be completely absolved from estate taxes.

Will the Senator from North Dakota agree to a means testing on the amount of money so that the Fanjul

brothers will not get \$65 million a year of Arizona taxpayers' and North Dakota taxpayers' dollars? At least you could agree to a means testing of this, rather than 42 percent of all these subsidies going to 1 percent of the sugar growers in America.

So my answer to the question from the Senator from North Dakota: No, I would never agree to what he is saying. I would agree, however, to take the proper measures to remove protectionism on both sides of the Atlantic and all over the world. That is why I am a supporter of free trade.

Mr. CONRAD. I just say that the Senator from Arizona says he would not do something, but that is precisely what he is doing on the floor of the Senate—precisely what he is doing—engaging in unilateral disarmament on behalf of our producers, when they are already being outspent 10-1 by our major competitors, the Europeans.

What the Senator from Arizona says is: Let's just abandon our folks. We are going to play by a different set of rules. We are going to be purists on this side of the Atlantic. On the other side of the Atlantic, they get to take these markets the old-fashioned way. They get to go out and buy them. The result will be exactly what is happening, I say to the Senator from Arizona, whom I respect and admire.

I disagree firmly with him on this point. I respect and admire the Senator from Arizona; I make that clear. We have a spirited debate and discussion going here, and that is in the best tradition of the Senate. This has no personal feeling attached to it.

I want the Senator from Arizona to know, I think this is precisely wrong. The fundamental reason it is wrong is because this is not the way world agriculture is working. What is happening in world agriculture today is our major competitors are going out and buying these markets. If we don't give some assistance to our producers, what will happen is the other side will take market share, as they are. The USDA now projects that this year for the first year the Europeans are going to surpass us in world market share. Why? Because they are going out in a very concentrated, calculated way and buying market after market from us. If we are going to throw in the sugar market, as we have thrown in the wheat market, as we have thrown in the barley market, pretty soon we will find an America that is second rate with respect to agriculture production. That would be a tragedy. It would be a mistake.

The Senator references the GAO report. GAO is not perfect. If we look at this report and study it objectively, USDA put a team together and looked at this report. They concluded the validity of the results are suspect and should not be quoted authoritatively. Here is a sampling of some of the words USDA career analysts used in describing the GAO report: naive, arbitrary, in error, inconsistent, inadequate, a puzzle,

inflammatory and unprofessional, not well documented, incomplete, unrealistic. In a nutshell, the instant experts at GAO compared the U.S. price—the same thing the Senator from Arizona has done, the 8 cents he quotes—to a world dump market price that is a fraction of the cost of producing sugar and assumed that if grocery chains and food manufacturers could have access to that dump market sugar, they would pass 100 percent of their savings along to consumers.

I have seen this over and over and over. It is an easy mistake to understand because people are writing about this industry who know nothing about it. They say over and over, the world price of sugar is 8 cents. That is absolute nonsense. It is not true. It is not accurate. That is the dump price for world sugar. It would be the same as talking about the world steel price and failing to look at all of the steel that sells to the automobile industry around the world under contract, instead to look at the dump market where just a fraction of world steel and world sugar sells.

It is economic know-nothingism, frankly, to make that reference. It is not reality.

We have very difficult issues to deal with in world agriculture. In our country, the No. 1 issue is right here. Are we going to let our producers get swamped by a flood of European money, by tough competitors who have made a determination that what they want to do is dominate world agriculture and they are going to do it the old-fashioned way. They are going to go out and buy these markets from us. That is what they are doing—\$324 an acre of support on average versus our \$34. If we want to continue to engage in unilateral disarmament and let American agriculture go right down the tubes, this is a good place to start, right here, today.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I rise to talk on this issue. It is an important issue to this country; it is an important issue to my State.

I suspect much of what I state may have perhaps already been said. Nevertheless, I think it is important that we take a continuing look at the facts of the issue. We have heard a lot of emotional discussion with respect to it. The fact is, we have been through this before. About every year we seem to go through the same discussion.

It does impact many people. It is not something where just a few rich people are involved. It provides 420,000 jobs in 40 States. Many agriculture communities are dependent on sugar production, as are some in my State. Frankly, it is one of the few products that is processed on to retail use. It comes out of the State ready to put on the grocery store shelf. Seldom does that happen in my State.

It provides a \$26 billion annual economic activity and is a very high quality product, one that is changing. We

talked about the candy and so on. Most of that comes from corn sweeteners. Nevertheless, it is very important. It is a very efficient industry; by world standards, we have the 18th lowest cost of production out of 96 producing countries, despite the fact that we have high-cost environmental standards and those kinds of costs.

As the Senator from North Dakota made quite clear, we keep talking about the "world" price. It isn't the world price. It is the dump price. Almost all the countries are subsidized. After they raise more than the subsidy applies to, it is dumped on the market. That needs to be understood.

We need to understand that consumers have benefited from this program. Retail sugar prices are virtually unchanged since 1990 and are 20 percent below the developed country average. It is about the most affordable in the entire world, as a matter of fact.

We have talked about taxpayer benefits. Until this year, the sugar program has been a zero cost program for 15 years, since 1985. It generated \$279 million in revenue since 1991 that was paid by the industry into the Government. It is WTO, NAFTA compliant. Prices have been very low for the producers, very low in the industry.

Unfortunately, there has not been a passthrough. What we find is the grocery stores have not lowered their price. The price of sweetened products is up 7 to 9 percent. At the same time, the grower price has been down approximately 20 percent. We find a great deal of activity there.

We have heard several times about the GAO report. The Senator talked about that. Certainly, the findings of USDA were such that they confused the world market with the dump price, as was pointed out. They also assumed that the lower costs were being passed on 100 percent through the retail market. That is not the case. Even though I am a great supporter of GAO, that study was not one that has been particularly useful.

The wholesale price for refined sugar has been down, is down, 25.9 percent in the last 3½ years. At the same time, the price for refined retail sugar is about the same. Ice cream is up. Candy is up. Cookies are up. Cereal is up. We haven't seen that pass through to the product.

I will not continue to go through this. I think we have covered many of the facts. This is a very important industry in my State. Our sugar beet production is one of the most efficient in the world. We have three refineries. It is very important to us. We have been through this whole discussion before. I think we agreed, then, this is an important matter to the country, to agriculture. I rise in opposition to the amendment of the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I thank all of our colleagues who have engaged in the debate so far.

It is summertime in Washington so I guess that means it is sugar amendment time. The Senate essentially voted on this once before. It seems we do it every July and August, during the summer months. The exact same amendment was voted on last August 4. The Senate rejected the amendment by a vote of 66-33, a 2-to-1 margin. I think the reason it was rejected by such a large margin is that Members are finally beginning to understand the sugar program and what it really involves and why it has worked for so many years as a benefit both to producers and also to the consumers of sugar and sugar products. It is not a perfect program, but it is one that has improved over the years. I will make a couple of comments about it.

Before that, I want to mention the fact that not too far back, this Congress was really involved in the crisis involving the increase in gasoline prices. We talked about gasoline prices going up 25 cents a gallon, 30 cents a gallon, 50 cents a gallon, and everybody being in an uproar about it.

The sugar program has been at a loan rate of 18 cents since 1985. It hasn't gone up one-half cent since 1985. What I want to do is take a moment to try to explain, as briefly as I can, how the program works. We have had talk on the floor this afternoon about these "huge" subsidies being given to some wealthy family, I heard, somewhere in Florida. I have almost 700 sugar cane farms in Louisiana and the growers would be very surprised to learn there is a big subsidy program out there, because the sugar program is not a direct subsidy from the taxpayer by any stretch of the imagination.

What sugar farmers get is a loan, as other commodities also get, such as rice, cotton, and other farm products. The loan is 18 cents per pound for sugar. It is a non-recourse loan. What that means, simply, to people not in the agriculture business, is it gives farmers the option of putting their crop under loan at harvest time. They have the option to either pay back the loan in dollars or, if the market price falls so low they cannot do that, they can forfeit their sugar to the Government as payment for the loan.

The interesting thing is that, since 1985, there has not been one single forfeiture under the loan program. Not one. Farmers have put their crop under loan and they have paid back the loan when the loan was due to the Federal Government. That is how the program works. There is no direct subsidy to make up the difference in a price, where taxpayers have to dip into their pockets to give to a sugar farmer. It is a non-recourse loan, which means they can either pay it back in dollars or forfeit the amount of sugar that they have put under loan.

Some would say, well, the sugar program protects domestic sugar by preventing sugar imports from coming into this country. That is not true. In fact, the sugar we are importing varies

between 15 and 20 percent. It comes from 40 countries around the world. It is GATT legal. It comes into this country, under the program, from 40 different countries around the world.

Here is the thing that I think is really interesting, because I guess in addition to saying it is a huge subsidy program—which it is not; it is simply a loan program—is that somehow consumers are being harmed by this program. This chart, I think, is consistent with what Senator CONRAD from North Dakota was pointing out. We have a bar chart; I think he had a graph. It is essentially the same thing. This is data from the Department of Agriculture. It is not from the sugar industry; it is from the USDA. It indicates that it has been 3½ years since the start of the 1996 farm program when we put the new and improved program into effect.

The chart from USDA indicates that the prices for producers have fallen, and the consumer prices for sugar and sweetened products have risen. This shows sugarcane farmers in Florida, Louisiana, Texas, Hawaii, which produce the bulk of the sugarcane used for sugar. Since 1996, when we put the program into place, the price of sugarcane to the producer, to the farmer, has fallen 14.6 percent. These are USDA numbers. The prices for wholesale refined sugar, beet sugar, USDA tells us, have fallen 31.9 percent. These are USDA numbers. They show prices falling to the producers, the farmers of cane sugar, and prices falling to the producers of sugar from sugar beets.

You would think that if the price to the farmer is falling by 31.9 percent, in one case, and 14.6 percent for sugarcane farmers, my goodness, that must be great for consumers, right? Everything that uses sugar should have a corresponding fall in its price, right? Wrong.

Look at what happened to the price of sugar on the shelf. The price of sugar on the shelf has risen a very small amount, while the price for the people producing sugar cane and sugar beets has been drastically falling. But the price of sugar on the shelf has been on the increase when you would expect that it would be going down. Look at what happened. Here is where the complainers were. How many Members of Congress have gotten letters from people saying gas prices are too high? Probably quite a few of us. "Do something, Senator. Gas prices are too high." How many people have gotten a letter from a housewife, or somebody running a home, saying, "You know, my biggest problem is that I went to buy 5 pounds of sugar and it is so high I have to choose between clothes and shoes and sugar." Nobody is writing about that and complaining about the price for 5 pounds of sugar going through the roof. Do you know why? Because it is not.

Here is what has been happening. The people who use it—the large manufacturers who make candy—and I can name them, but I will spare them the

embarrassment—have had their prices go up 6.4 percent, while a main ingredient, sugar, has been plummeting over here. Not the price of candy. A main ingredient's price has been going down, but the price of their product has been going up.

Cookies and cakes are big users of sugar. The most important thing in these products is probably sugar. Their prices have gone up 6.6 percent, according to the USDA, while the price of sugar, a main ingredient, has plummeted. Cereal? Big users. There are a lot of sugar-coated flakes for kids. Cereal prices have gone up 8.3 percent. The price of sugar to the farmer has plummeted.

The last one is ice cream. I love it. I would buy it no matter what it costs. It has gone up 9.8 percent. There is a lot of sugar in ice cream. What they are paying for the sugar is a lot lower than it used to be. Boy, their product price doesn't reflect that. If there are problems here, they are candy, cookies, cereal, and ice cream. It used to be the soft drink industry, but they got out and quit using sugar. Today the price of their product is more than it was when they were using sugar. And then look at the cans of artificially sweetened soft drink products and the cans of the naturally sweetened soft drinks; the price of an artificially sweetened soft drink is no less than the price of the one that is using the natural sweetener. Try to explain that when they say the real problem is sugar prices.

These are USDA figures, not mine and not sugar producers. Their prices have plummeted under the program. There is no direct Government subsidy. It is a loan. Sugar farmers have never forfeited one single loan since 1985. They have paid it back, and paid it back in dollars, and it has been the same loan rate since 1985. It has been 18 cents. That program, designed to help everybody, has seemingly not helped the farmer very much. But it is the only thing we have. Like every other product and commodity that we try to help in a balanced fashion, it has done that.

I will conclude by saying that this is the same vote we had last August. The Senate spoke very clearly then, 66-33. I hope that we will do the same thing today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, I guess I have been around this old business of agriculture about as long as anybody. We have seen high commodity prices and we have seen low commodity prices. Years ago, when we would get a high surplus of any type of commodity, the price went down and so did the price in the grocery store. We had to eat our way out of this thing, so to speak. It happened in livestock, pork and beef and chicken products. But that is not the case anymore.

I was interested in his chart showing how, even though the price of sugar has

gone down, the prices of candy, cookies, other baked goods, cereal, and ice cream has continued to go up. I don't want anybody fiddling with my ice cream. I like it like it is. If it goes up a little bit, that is OK. But don't come back and say if all of the support is taken away from sugar, the prices will go down in the store. It doesn't work with this product. It was about a year and a half ago that live hogs hit an all-time low and got down to around 10 cents a pound. Yet, when I went to my grocery stores out here in Springfield, VA, and back in Billings, MT, guess what? Boned out, double-cut pork chops were still around \$5 to \$6 a pound.

Folks, I don't know how sharp your pencil is. But that "don't pencil." That just "don't pencil."

We are looking at a program that has cost the taxpayer virtually nothing. Yet it sustains many small farmers. Sure, there are a couple of big ones down in Florida. But there are a couple of big ones in everything. For the most part, this is support for farmers in the Big Horn Basin of Wyoming and the Yellowstone Valley between Billings and Sidney. It keeps them in business.

I ask the American people, when it comes to farm programs or insurance, do you insure your car? Yes. You do. Do you insure your house? Yes. You insure your house. Do you insure your life? Yes. We do that. I look upon this as just a little insurance policy. It doesn't cost us very much money, but it ensures that your grocery stores will be full of the most nutritious and safe food of any grocery store in the world and priced less than the percentage of the disposable income of any other place in the world. That is a pretty good insurance policy. We don't have to garden. We don't have to plant, or seed, or weed, harvest, or process. We can continue to do what we want to do in our profession. It is guaranteed that you are going to have that supply in any amount and fixed in any way and processed in any way.

We already talked about the numbers. But we are basically looking at people who have a great deal on the line. They risk a lot. They are subject to the elements. They have no control over that. They have no control over the retail end of the product—none whatsoever. If we are going to keep this very efficient food machine alive, this is the insurance policy that we all have. It serves this country very well.

I suggest that you not support the amendment offered by the Senator from Arizona. It is well intentioned. As the Senator from Louisiana said, it is indeed July.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I see my friend from North Dakota on the floor. Of course our entire relationship is characterized by respect. Obviously he makes a strong case for his point of view. I not only respect but I appre-

ciate and enjoy the verbal exchanges we have from time to time. He is a worthy adversary. I will not take very long.

It was alleged that marketing assessments are large amounts of money. That is true. I believe it is \$272 million or something such as that. But I think it is appropriate to mention that those marketing assessments in last year's omnibus bill were done away with. The sugar producers do nothing to address the budget deficit. I think an argument can be made that this Senator from Arizona may not be the most expert on agricultural issues. I plead guilty to that. I believe there are other issues in which I am better informed.

A cosponsor of this amendment is the chairman of the Committee on Agriculture, Senator LUGAR. Senator LUGAR is in support of this amendment. I am honored that the chairman of the committee is in support of this amendment. I think his viewpoint should also be taken into consideration, particularly with more gravity than mine.

There was a study conducted by the Center for International Economics. It was prepared as part of the trade agenda and conference on the 1st and 2nd of October 1999 in Geneva. I will read the beginning of this study:

If ever there was a case for multilateral trade liberalisation, and if ever there was a liberalisation from which the global economy stood to gain, it is sugar. The world sugar market contains some of the largest and most blatant forms of trade protection. Many of these have a 300 year history. The worst of the worst are in developed countries. They greatly distort trade and prices. Although the world economy, consumers and efficient sugar producers stand to gain substantially from liberalisation, some producers, especially those in developed countries, stand to lose. And herein lies a political challenge—there are large vested interests that are likely to oppose sugar trade liberalisation. In the Uruguay Round these vested interests won hands down. Should they win again, they are likely to further undermine developed country credibility in the WTO and the WTO itself. Ultimately countries unilaterally liberalise trade. The best that multilateral forums can do is to assist that process. The biggest gains in trade liberalisation come from reducing the biggest distortions first. Giving prominence to sugar and other highly protected products in the WTO millennium round makes economic sense. Such prominence is also needed to help counter the vested interests opposed to reform.

They go on to say:

This taxation of consumers and protection of producers is highest in Japan, Western Europe and the United States.

We are the leading proponent of free and open trade. The United States has an enviable record, whether it be the North American Free Trade Agreement. Whether it be expansion of economic trade relations with China through Democrat and Republican administrations, we have been in pursuit of free trade. Clearly, we lose credibility when we stand as one of the highest protectionists for our sugar industry.

I say again with respect to my friend from North Dakota and the opponents of this amendment that I will be glad to work with them at least to means test this subsidy. Why in the world should one family get \$65 million in subsidies? That is remarkable when you think about it. Adding to that, they are harming the Everglades. Every objective study indicates that the runoff from pesticides and other pollutants in the Everglades is dramatically damaging the Everglades. Yes. The sugar companies are paying some money, but in comparison to the overall cost, the estimated cost of fixing the Everglades is minuscule.

I am not without sympathy for the farmers in North Dakota. I am not without sympathy for the farmers in Montana, Louisiana, and Idaho. But when they are encouraged to grow a crop which they would not grow if it were not for the subsidies, and in addition in some parts of America they are doing damage to our environment, then it is time we said enough.

Again, I strongly support a proposal to means test and to phase out these sugar subsidies. We phased out a large number of subsidies when we passed the Freedom to Farm Act. I would agree that the Freedom to Farm Act has had very mixed results. In fact, there are questions raised by many.

We eliminated and phased out wool, butter, cheese, powdered milk, and other dairies. We capped cotton and reduced peanuts, wheat, and others. But we retain two quite remarkable products; that is, sugar and tobacco. I promise not to bore my colleagues with a tirade about tobacco. But the fact is that the sugar subsidy is one which needs to be eliminated. I think we all know that.

It is my understanding that the Senator from North Dakota, Senator DORGAN, after his remarks, will make a motion to table. I am certainly in agreement with that, or if there are other speakers, I would be glad to join into a time agreement, whatever is agreeable, with the Senator from Mississippi and the Senator from Wisconsin.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am happy to oblige the Senator from Arizona and set up a unanimous consent agreement to limit time, if there are other Senators who want to speak.

I see the Senator from North Dakota on his feet. I assume he wants to speak on the amendment. I know of no other Senators who wish to speak who have not already spoken.

Senator CRAIG indicated an interest in making a motion to table the McCain amendment. We are about at that point where we are ready for a motion to table the amendment.

I will yield the floor if anyone wants to speak on the amendment.

Mr. MCCAIN. Mr. President, I ask the indulgence of my friend for a unani-

mous consent agreement that has been cleared on both sides.

The PRESIDING OFFICER. Is there objection?

Mr. COCHRAN. Reserving the right to object.

Mr. MCCAIN. This allows the Commerce Committee to meet off the floor for the purposes of approving the nomination of Mr. Norman Mineta to be the Secretary of Commerce.

Mr. COCHRAN. No objection on this side.

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

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. MCCAIN. I ask consent, notwithstanding any rule or other order, it be in order for the Commerce Committee to meet in executive session for the purpose only of reporting nominations to the Executive Calendar. Among those nominations is that of Mr. Norman Mineta, former Congressman and nominee to be Secretary of Commerce, immediately following the next rollcall vote.

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

Mr. COCHRAN. In the spirit of the unanimous consent agreement, let me try this: I ask unanimous consent the Senate vote on or in relation to the McCain amendment at 2 o'clock.

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

The Senator from North Dakota.

Mr. DORGAN. Mr. President, I come to the floor to oppose the amendment offered by my colleague and friend from Arizona, Senator MCCAIN. I want to talk about a number of things that have been discussed about sugar, the sugar program, in this amendment.

First, let me talk about "free trade." There is not free trade in sugar around the world. It is not the case that the price that is described as the world price for sugar represents a free trade price. It is a fact that most sugar that is bought and sold around the world is bought and sold on contracts between countries. The quantity of sugar that is produced above that is sold on the dump market for dump market prices, but most sugar is traded or sold between countries on contract. So the price that is quoted as the world price for sugar is not the world price for sugar at all. That is a myth. That is No. 1.

No. 2, the issue of who is getting a subsidy; is someone getting a large subsidy? There aren't any subsidies. This is not a program that has a subsidy. This is not a program in which the taxpayer is taxed and money comes to the Federal Government and money is given to a producer. There are no payments to producers. There are no subsidies. That is the second point.

There are forces that have wanted to abolish the sugar program for some long while. The sugar program is not a program that gives a payment to a producer. It does create a circumstance of balance between production and im-

ports in order to achieve a domestic price that provides stability for consumers and stability for producers. Some don't like that. Who are they? Well, they call themselves the Coalition for Sugar Reform. Who or what is the Coalition for Sugar Reform? Anyone can guess that. The American Bakers Association, the National Confectioners Association, the Biscuit and Cracker Manufacturers Association, the Chocolate Manufacturers Association, the Independent Bakers Association.

Let's look at these groups. The price of sugar has dropped 30 percent since last summer, to a 22-year low. The price of sugar has dropped by a third. Anyone who listens to me should ask themselves, have I purchased a candy bar lately? If so, did I see a reduction in the cost of the candy bar? Did I buy a can of soda? If so, was it cheaper than it used to be? The answer, clearly, is no. Sugar prices have dropped by 30 percent. Chocolate and candy prices are up by 6 percent. Cookies, cakes, and other bakery products are up by 7 to 8 percent. Cereal and ice cream prices are up by 9 percent. Buy just a bag of sugar at the store and see whether it costs 30 percent less.

Let's figure out where sugar comes from. It comes from a family farm in the Red River Valley of North Dakota. This family raises sugar beets. They buy a tractor, they buy other equipment with which to plant the seeds; then they buy fuel, they buy fertilizer, they get up in the mornings and gas up the tractor and go break the ground. They do the things farmers do. They take all the risks. They do all the work. And then they hope. They hope something doesn't happen to the crop. They hope it doesn't get burned out, flooded out, or have disease. If all of those hopes are realized, maybe at the end of the year they get a crop—maybe.

After risking all their money and working all year, if they get a crop, then maybe they get a crop that has a price above the cost of production. But maybe not.

Some say: It doesn't matter who is producing these things; we really don't care—talking about the organizations, the Coalition for Sugar Reform—we don't care where it comes from; we just want to get the world price for sugar, the dump price for sugar.

What is the result of that? The result means devastation of family farms in many parts of this country—those families who are out there trying to earn a living as best they can, whose fortune, whose future is based on events around the globe over which they have no control and whom these organizations would like to link to the world dump price for sugar. They can't make it. They wouldn't make it.

We have to ask the question, Is it reasonable for us in this country to decide we want to do a couple of things at once? One, provide stable prices for sugar for the American consumer. We

have done that. U.S. retail prices for sugar are virtually unchanged for more than a decade. How many prices exist on the grocery store shelf where we can say that price is largely unchanged for an entire decade? Not very many. Sugar, we can.

Why is it we have price stability for consumers? It has not always been that way. We have seen times when the price of sugar has spiked up, up, way up. The sugar program has provided stability of price for the consumer. At the same time, it has tried to provide some basic stability of price for the producer that takes the risk of producing. Some don't like that. They say producers don't matter much here. They do matter. They are part of the economic backbone of this country. They are the salt of the Earth. The folks who are out there trying to make a living on America's family farmers—and yes, I say to those questions, yes, they are family farmers. If you doubt it, come with me and I will take you to a few. We will drive in the yard, see the equipment, talk to the family. These are family farmers producing sugar beets.

On another point about how well they do, the cost of production for sugar in this country is well below the cost of production in the world average. In fact, we have the lowest cost of beet sugar producers in the world. Yet they couldn't compete against dumped sugar at dump sugar prices. Should they have to compete in a global economy against dump sugar prices? The answer is no, of course not.

We ought to be willing to stand up for this country's producers. I am not at all embarrassed, and I will never be embarrassed, for standing up for the economic interests of America's producers, to say to them, you deserve an opportunity to have a fair return. That is what this program is all about. In my judgment, this amendment ought to be tabled by this Senate. I believe it will be tabled. I have a series of charts, but I think my colleague from North Dakota, Senator CONRAD, and Senator BREAUX and Senator CRAIG and others have used the charts. They show prices. They show what has happened to our producers—a devastating price collapse.

Let me make one other parenthetical point. It seems to me, if you are going to start dealing with farm issues, the last thing you would want to do is go to one part of the farm program that historically has worked pretty well. We have had some problems with it in recent months for a number of reasons. Historically, this program has been the one part of the farm program that has worked. It seems to me you would not go to that one and take that apart. Make the rest of them work as well. But I think it is interesting that the same people who are the Coalition for Sugar Reform, they have one common ingredient in the things they produce—grains, oilseed, dairy and sugar. In every circumstance, the return for

these commodities to the people who produce them—the people who get up in the morning, do all the work, do the chores, spend the day in the field, harvest the crops, and take all the risks—in every circumstance, we have seen a substantial decline: Wheat, corn, soybean prices less than half what they were 4 years ago; milk prices a little more than half what they were a year ago; sugar prices down by a third.

That is not, in my judgment, what this Congress, what this Senate ought to be expecting to have happen for our producers. I hope we will decide today, by an overwhelming margin, to table this amendment.

Let me end as I began. I have great respect for the Senator from Arizona and others who may feel the way he does. I do not in any way suggest what he is doing is something he does not believe passionately about. But I believe very strongly this amendment ought to be tabled. This Congress ought to be about the business of strengthening the sugar program and making that sugar program work as it has worked for so many years, not taking it apart. This is not a circumstance where our farmers are competing in free trade. There is not free trade in sugar. It is not a circumstance where farmers are getting a subsidy. There is no subsidy paid to sugar producers. It is a circumstance where this is a program that deserves the support of the Senate this afternoon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, it is my understanding we have a unanimous consent agreement to hold a vote on or about the McCain amendment at 2 o'clock, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. CRAIG. With that in mind, Mr. President, I move to table the McCain amendment. I ask for the yeas and nays.

Mr. CONRAD. Will the Senator withhold? I would like to have another chance to speak.

The PRESIDING OFFICER. The vote is not to occur until 2 o'clock.

Mr. CRAIG. Can I not register that at this time, with the intent that it occur at 2 o'clock? That is my intent, not to shut off debate but simply to register a motion to table at this time.

I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. DORGAN. Mr. President, does that allow debate to continue?

The PRESIDING OFFICER. It does.

Mr. CRAIG. It would allow debate to continue.

Mr. DORGAN. I was intending to offer the motion to table. I understood the Senator from North Dakota wished to speak. I think, if the Senator from Idaho is offering the motion to table, as long as there is debate time remaining, I support that.

Mr. CRAIG. There is time remaining for this or other amendments.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be. The yeas and nays were ordered.

Mr. ENZI. Mr. President, I rise today in opposition to the amendment introduced by the Senator from Arizona, Senator JOHN MCCAIN, to strike funding for the sugar program. I cannot stress enough how important this program is to the sugar beet growers in my state of Wyoming and agricultural communities throughout the nation.

The sugarbeet farmers in Wyoming are already facing hard times. Almost one sixth of the sugar acreage in my State was just ravaged by a hailstorm and some fields are facing a complete loss. Since last summer, there has been a 30 percent drop in sugar prices to approximately \$0.19 per pound—a 22 year low. And this October, Mexico is scheduled to increase its sugar exports to the American market tenfold, to 250,000 metric tons. And now we are considering dropping the sugar program. This amendment simply kicks these farmers while they are down, taking away what little price stability there is in their business.

I would like to share with you a letter I just received from Wade Steiger, a sugar beet farmer in Frannie, Wyoming. Mr. Steiger writes "Dear Senator, I am currently in the sugar production business in the state of Wyoming and am wondering if I should remain in the business. What I need from you is your best assessment of the current mood in the body politic as to the direction of U.S. sugar policy * * * With the deck stacked against me like this, it would seem foolish to remain in the sugar business."

Frankly, I'm not sure what to tell him. I know what I would like to tell him. I would like to tell him that we in Congress are committed to making sure that he will be able to get a fair price for his product and that we understand the cyclical nature of his business and that there is a need for a program—a no-cost program—that offers a little stability to sugar prices. If this amendment passes, I will have to tell him otherwise.

The sugar program has operated at no cost to the federal government since 1996 and the sugar purchase is not an outright payment to producers. This program covers the cost of purchasing surplus sugar which the government can then turn around and sell at a later date to recoup what is sometimes a large part of the up-front cost. Moreover, the sugar industry has already more than covered the cost of these purchases, with over \$279 million paid into the U.S. Treasury during the 1990's in a special sugar marketing tax.

Without this program, year-to-year supply changes caused by natural factors will lead to such price fluctuation that the profitability of sugar production would be too volatile for most farmers to stay in business. I believe that the government has a role to play in stabilizing commodity prices, especially when the program operates at no

net cost to the taxpayers, as is the case with this program.

The U.S. produces beet sugar more efficiently and at a lower cost than any other country in the world, but currently these producers are at a disadvantage on the artificial world market. If every government around the world stayed out of the sugar production business, we wouldn't need a program to keep our farmers competitive. But the fact is that world sugar production is heavily subsidized, and it simply does not make sense for us to send U.S. jobs overseas by destroying our own sugar program.

I have the utmost faith in my farmers back in Wyoming, that in a truly free market they could grow sugar more efficiently and profitably than anyone else in the world. But because of subsidies paid to protect less efficient farmers in the European Union, Brazil and other countries, the world dump market prices have averaged only about half of the price it would be in the absence of subsidies.

The E.U. remains committed to pouring money into a sugar support program that holds its prices at approximately \$.31 per pound.

Brazil's sugar production exploded in the past twenty years in the wake of its subsidy to produce ethanol from cane sugar. As Brazil has cut back its ethanol subsidy, the cane has been used to produce sugar and since the mid-1990's, it sugar production has doubled and its exports have tripled—all through its generous subsidies.

In their race to produce subsidized sugar, Brazilian farmers have also had the benefit of far lower labor and environmental standards than American sugar farmers. Brazil's cane industry turned valuable forest land into farmland and continues to employ tens of thousands of children in the dangerous work of cutting cane.

I believe the time has come to draw the line in this constant attack on rural America. This is not about farm welfare. This is not about protectionism. This is about giving our family farmers like Mr. Steiger a fair shake. I urge my colleagues to support a no-cost program that benefits these farmers and oppose this amendment.

I ask unanimous consent that Mr. Steiger's letter be printed in the RECORD.

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

WADE STEIGER,
Frannie, WY, July 3, 2000.

DEAR SENATOR: I am currently in the sugar production business in the state of Wyoming and am wondering if I should remain in the business. What I need from you is your best assessment of the current mood in the body politic as to the direction of U.S. sugar policy. As I read the current policy, the Mexicans will have free access to the U.S. market in the near future, and the Mexicans have just signed a NAFTA-like deal with the E.U. Under this arrangement the E.U. will have access to a U.S. taxpayer supported U.S. sugar market and would therefore effectively

be getting a subsidy from both their own government as well as ours. With the deck stacked against me like this, it would seem foolish to remain in the sugar business.

My read on the political mood is that the sugar industry has been laid on the altar of free trade and, if politically expedient, will be sacrificed. I need to know if you or any of your colleagues intend to do anything to change the current situation before I decide whether or not to continue in this business. I understand that giving a straight answer to this question is politically risky, but I would appreciate an answer with a minimum of political "cover your ass". I am willing to take an answer in a non-recordable fashion, but I prefer that you take a clear stand on the issue.

Sincerely,

WADE STEIGER.

Mr. AKAKA. Mr. President, we are again debating the amendment by the Senator from Arizona. My colleagues may recall that this body rejected an identical amendment last year by a vote of 66-33.

As I mentioned on the floor last August, the sugar program remains a great bargain for the American consumer. It's also one of the least expensive food items you will find in an American kitchen. Sugar is probably the best bargain you can find at the grocery store today. American sugar farmers and the U.S. sugar program help make sugar affordable.

Consumers elsewhere around the globe do not enjoy the low prices we have in America. If you visit a grocery store in other industrialized nations you will get "sticker shock" when you pass the sugar display. Thanks to a farm program that assures stable supplies at reasonable prices, sugar is a remarkable value for American consumers. U.S. consumers pay an average of 17 cents less per pound of sugar than their counterparts in other industrialized nations. Low U.S. prices save consumers more than a billion dollars annually. That's why I say that the sugar program is a great deal for American consumers. Thanks to the sugar program, U.S. consumers enjoy a plentiful supply of sugar at bargain prices.

I urge my colleagues to reject this amendment. If Congress terminates the sugar program, not only will a dynamic part of the economy disappear from many rural areas, but consumers will also lose a reliable supply of high-quality, low-price sugar.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I will go back to some of the things that were said here so the RECORD is crystal clear. When the Senator from Arizona says there are massive subsidies being paid to sugar producers, it is just wrong. That is not the way the sugar program works. There is not one nickel of payment made by the Federal Government to sugar producers—not one, not a penny. It is not a subsidy program here. That is not the way it works.

That is part of the problem we have. We have people who do not know the program—really do not know the eco-

nomics of world agriculture, really know nothing about the sugar industry and the sugar program—out here trying to pass laws that would have draconian, dramatic effects. They really are ill-informed. I don't know a nicer way to say it.

When they say the world price of sugar is 8 cents, it is an absurdity. It costs 16 cents to 18 cents to produce sugar. How could the world price of sugar be 8 cents? It is not the world price of sugar, as has been said on the floor. The vast majority of sugar in the world sells under contract and those contract prices are not part of the calculation of what the Senator from Arizona calls the world price of sugar. That is excluded from those calculations. So when they talk about a world price of sugar, that is not the world price; it is a dump price. It is that sugar which is left over which is a small part of the world sugar supply that sells that was not part of a contract. It is not a world price. That is a misnomer. It is factually incorrect.

Now let's go to the underlying assumption. The underlying assumption is that somehow the rest of the world is engaged in free market economics with respect to agriculture production. False. That is not even close to being right. Our major competitors, the Europeans, are spending about \$50 billion a year to support their producers—\$50 billion. Here are the comparisons. This is from the Organization for Economic Cooperation and Development. They are the ones who are in charge of keeping score on the question of who supports their producers at what level. Here is the European Union, our major competitor. They are supporting their producers on average \$324 an acre. Here we are: \$34 an acre. They are outgunning us 10 to 1.

What the Senator from Arizona says to us is we ought to cut this some more. We ought to cut our level of support even further. Let's engage in total unilateral disarmament in this world battle over agriculture markets.

What sense does that make? We tried that in the last farm bill. In the last farm bill, we cut our support for producers on average from \$10 billion to \$5 billion. We cut it in half on the theory that was going to be a good example for the Europeans and they would similarly reduce their support.

What happened? They did not cut their support by a nickel. Instead, they stayed steady on course, buying up world market after world market. The USDA tells us they are going to surpass the United States in world market share for the first time in anyone's memory. That is where we are headed. We are headed for a circumstance in which America, which has dominated world agricultural trade, is headed for the No. 2 position. And the Europeans believe, as they have told me, we are so prosperous that we will not fight back and, in fact, we will give up these markets.

I say to the Senator from Arizona, he would never engage in unilateral disarmament in a military confrontation. Why is he insisting on it in an agricultural market confrontation? It makes no sense. Here we are, outgunned 10 to 1, and he wants to make it an even greater disparity; to say to our producers: We abandon you. We wave the white flag of surrender; we want the Europeans to take over these world agricultural markets that have long been ours.

We have to quit being naive on what is going on in world trade. It is not free market. It is not free trade. It is managed trade; it is managed markets; it is a heavily subsidized battle over world market share. That is what is going on. We can choose to give up and run to the sidelines and give in or we can fight back. I hope the United States decides to fight back. I hope we decide we are not going to abandon our producers and allow our major competitors, the Europeans, to dominate world agricultural trade. In the long term, that would be an economic disaster for this country and certainly for the tens of thousands of farmers all across America who are dependent on the wisdom of this body to recognize what is happening, and to stand by their side and be ready to fight because I can assure you, that is what the Europeans are doing. They are fighting for world market share.

As one of the top Europeans described to me: Senator, we believe we are in an agriculture trade war with the United States. We believe that at some point there will be a cease-fire in this trade war, and we believe that whoever occupies the high ground will be the winner.

The high ground is world market share. They have told me at some point they think there is going to be a cease-fire, and whoever occupies the high ground will be the winner, and the high ground is world market share. That is what this is all about. The Europeans are aggressively spending to gain world market share to be in a position of world dominance in agriculture, and that strategy and that plan is working.

If one looks at the trend lines over the last 20 years, one will find the Europeans have gone from being the major importing region in the world to the major exporting region today. They have done it in 20 years. They have done it by discipline. They have done it by a plan. They have done it by a strategy. They are counting on us not to be paying attention. They are counting on us to give up. They are counting on us to give in. They are counting on us to wave the white flag of surrender.

I pray this body does not go any further down this road of unilateral surrender in world agriculture because we have already given up too much. The Europeans support their producers \$324 an acre. The United States supports its producers \$34 an acre.

The Senator from Arizona said: Let's make this disparity even greater. That

is a disaster. That is a disaster, and we have the chance to stop it by this vote at 2 o'clock. I hope we take the opportunity.

I thank the Chair and yield the floor. The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the pending amendment be set aside for the purpose of Senator WELLSTONE offering an amendment.

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

The Senator from Minnesota.

AMENDMENT NO. 3922

Mr. WELLSTONE. Mr. President, I call up amendment No. 3922.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself, Mr. HARKIN, Mr. DASCHLE, and Mr. FEINGOLD, proposes an amendment numbered 3922.

Mr. WELLSTONE. 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:

(Purpose: To provide increased funding for the Grain Inspection, Packers and Stockyards Administration for investigations of anticompetitive behavior, rapid response teams, the Hog Contract Library, examinations of the competitive structure of the poultry industry, civil rights activities, and information staff, with an offset)

On page 9, line 6, strike "\$67,038,000" and insert "\$63,088,000, of which not less than \$12,195,000 shall be used for food assistance program studies and evaluations".

On page 23, line 21, strike "\$27,269,000: *Provided*," and insert "\$31,219,000: *Provided*, That not less than \$3,950,000 shall be used for investigations of anticompetitive behavior, rapid response teams, the Hog Contract Library, examination of the competitive structure of the poultry industry, civil rights activities, and information staff: *Provided further*,".

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Senators HARKIN, DASCHLE, and FEINGOLD be added as original cosponsors.

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

Mr. WELLSTONE. Mr. President, before proceeding, I say to the Senator from Nevada, the Democratic whip, if we have a vote at 2, I believe I can finish with my presentation on this amendment and I will be pleased to go to another amendment right after the vote if my colleague wants me to move this along.

Mr. REID. Mr. President, I say to my friend from Minnesota—Senator COCHRAN is not here—we have been alternating back and forth. We appreciate the cooperation.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I will do this amendment and if there is a Republican amendment next, I will then follow that next Republican amendment.

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

Mr. WELLSTONE. Mr. President, I rise to offer this amendment, again, with Senators HARKIN, DASCHLE, and FEINGOLD, about competitive markets. I am hoping there will be a strong, if you will, free enterprise, pro-competition vote for this amendment, especially when it comes to looking out for the interests of our producers, in particular our Nation's livestock producers.

This amendment will fully fund the President's budget request for the Grain Inspection, Packers, and Stockyard Administration, called GIPSA, funding they need to look at market concentration.

What we see right now—and it is a disturbing trend in our economy and certainly a disturbing trend in the food industry—is an increasing concentration of power. We see inadequate price information both for producers and consumers. We see lack of competition. We see anticompetitive practices. Consequently, GIPSA has been asked to assume a more prominent role, as they should, in ensuring competitiveness—that is all this amendment is about—and fairness in the livestock industry. GIPSA is conducting a growing number of investigations on market concentration in agriculture, and they should be doing just this work. The point is, they should be adequately funded to do the job.

What this amendment does is ensure GIPSA has the resources to meet these additional responsibilities, and it increases funding for GIPSA—I say to Senators and staff, Democrats and Republicans, who are listening—by a total of \$3.95 million to fund these essential programs. I am going to list these programs in a moment.

I recall a gathering I attended in Iowa. Senator HARKIN I believe was there. Senator GRASSLEY was there. At this gathering, we had one family farmer after another basically saying: Where is the Packers and Stockyard Administration? Why are they not involved in representing us? Where are they as we see more and more of these conglomerates taking over more and more of the market and we do not have the opportunity to compete? They should be doing their job.

What we heard in return from Mike Dunn was: We will do the job, but we need the resources.

That is what this amendment is about: making sure they have the resources to do the job they are supposed to do by virtue of the law of the land.

What will the amendment do? It will add \$1.2 million for anticompetitive behavior investigations. This is to look at what is going on in the industry and aggressively pursue especially investigations into anticompetitive activity in the livestock industry.

There will be \$1.3 million for rapid response teams. This will enhance GIPSA's effectiveness in addressing

major investigative issues of immediate concern when it comes to anti-competitive practices or trade practice issues.

It will allow for \$200,000 for the hog contract library. This will be used to comply with section 22 of the fiscal year 2000 Ag appropriations bill. This is the mandatory price reporting.

There will be \$800,000 to examine the competitive structure of the poultry industry which will permit GIPSA to expand its activity in the poultry market to take a close look at characteristics of markets for poultry grower services.

There will be \$100,000 for civil rights activities which will allow GIPSA to resolve its backlog of EEO complaints and to increase emphasis on proactive efforts to maintain EEO goals and objectives. All of us are familiar with the grievances and the just cause of many African American farmers in our country.

There will be \$350,000 for information staff at GIPSA that will enable them to develop new educational programs which will be targeted to small and socially disadvantaged farmers and improve relations with producers.

This is a modest amendment. There should be strong support for this amendment. It is all about putting some free enterprise back into the free enterprise system. It is all about being on the side of our producers.

It simply says: Let's get the funding up to the administration's request. I think we should be doing much more than this, and I hope that by the end of this Congress—in fact, I do not hope, it absolutely has to happen—we will pass the Farmers and Ranchers Fair Competition Act which has been introduced by Senators DASCHLE and LEAHY, and a number of others of us who have worked on this as well. Really, what we ought to be talking about is some legislation that makes antitrust action a reality in this country. In the food industry we need it.

When I travel in the countryside—and I do quite often—the one issue on which farm organizations agree—they don't agree on many—the one issue that brings farmers and rural people together is that we need to have more competition. We need to have some antitrust action. These conglomerates have muscled their way to the dinner table, and they are forcing us out.

I do not know why we are so slow to take up this cause.

Let me give this amendment a little bit of context.

In the past decade and a half, we have seen an explosion of mergers and acquisitions and anticompetitive practices with record concentration in American agriculture.

The top four pork packers have increased their market share from 36 percent to 57 percent.

The top four beef packers have expanded their market share from 32 percent to 80 percent.

The top four flour millers have increased their market share from 40 percent to 62 percent.

The market share of the top four soybean crushers has jumped from 54 percent to 80 percent.

Forty-nine percent of all chicken broilers are now slaughtered by the largest four firms.

The list goes on and on.

The four largest grain buyers control nearly 40 percent of the elevator facilities in the country.

The result of this is that you have had this surge of concentration. You have these conglomerates which have a tremendous amount of power, you have GIPSA which does not have the resources to do the job, and you have the Senate that has not passed a strong piece of legislation that calls for antitrust action. As a result of that, the farmers, everywhere they turn, don't get a fair shake. When they look to whom they buy from, it is a few large firms that dominate the market. When they look to whom they sell to, it is a few large firms that dominate the market.

Everybody in this Chamber knows that if you are at an auction, you are more likely to get a good price when there are a lot of bidders. I think all of us are for competition. We need to have more competition, but we need to have a level playing field for our producers.

I want to report on both the horizontal concentration, that was reflected in the statistics I mentioned, but also the ways in which we have the vertical integration.

Take the pork industry. Pork packers are buying up what is called captive supply—hogs that they own or have contracted under marketing agreements. If this trend continues, you are going to see grain, soybean production—it will be basically from the very beginning, from the very point level of production, all the way to the super-market.

The problem with this kind of vertical concentration is it destroys competitive markets. Potential competitors often don't know the sale price for the goods at any point in the process. There is no price discovery—essentially no effective competition. If it continues at the current pace, we are going to basically have all the industry dominated this way.

Moreover, the vertical integration stacks the deck against the farmers.

In April 1999, there was a report from the Minnesota Land Stewardship Project that found: Packers' practice of acquiring captive supplies through contracts and direct ownership is reducing the number of opportunities for small- and medium-sized farmers to sell their hogs. With fewer buyers, and more captive supply, there is less competition for our independent producers.

I want to make sure we can at least get this additional \$3.95 million to GIPSA so they can do the job of being there on the side of producers, so they can do the job of investigating potential or real anticompetitive practices.

It is a modest amendment, but it is hugely important to family farmers.

Leland Swensen, president of the National Farmers Union, recently testified—he is right—

The increasing level of market concentration, with the resulting lack of competition in the marketplace, is one of the top concerns of [American] farmers and ranchers. At most farm and ranch meetings, market concentration ranks as either the first or second in priority of issues of concern. Farmers and ranchers believe that lack of competition is a key factor in the low commodity prices they are receiving.

Some of these big packers are raking in record profits while our livestock producers are facing extinction. The farm/retail spread, as every Senator from every agriculture State knows, is growing wider and wider and wider, between what our producers get paid for what they produce and what consumers pay. There is a whole lot of money and a whole lot of profit that is made in the middle. I do not mind that, but I would like to see the livestock producers and our other producers in our farm States get a fair shake.

If there is one thing farmers ask for more than anything else, it is a level playing field. If there is one thing they are worried about, it is this increasing concentration. We ought to be able to get this additional money to GIPSA.

The vote on this amendment is all about whether or not we are willing to be there on the side of these family farmers, whether we are on the side of making sure we deal with anticompetitive practices, and whether we take their concerns seriously.

One of the reasons I bring this amendment to the floor—yes, the administration asked for this additional \$3.95 million. I remember the meeting in Iowa with Senator GRASSLEY and Senator HARKIN. And I remember Mike Dunn saying: Give us the money to do the job. That is true.

As I have said, these conglomerates have muscled their way to the dinner table, and they have pushed our producers out. We have too few firms that dominate too much of the market, and we do not have enough competition. That is what this is about. I have said that.

But I also want all Senators to understand that this amendment is also offered in the context of the record low prices and the record low income. To tell you the truth, the AMTA payments are the only reason some of our producers are able to continue, although those payments all too often amount to a subsidy in an inverse relationship to need, and farmers are still demanding a decent price.

But the whole issue of price, the whole issue of producers getting a fair price, is highly correlated to whether or not there is going to be some competition. It is highly correlated to whether or not we are going to take antitrust action seriously.

There is a reason we passed the Sherman Act in the late 1800s. There is a reason we passed the Clayton Act in the early 1900s. The reason is, to be there on the side of our producers.

This amendment is a small amendment. It is a modest amendment. But I think it puts Senators on record as to whether or not we are serious about antitrust action.

The health and the vitality of rural America, our communities—I say to the Presiding Officer, who knows quite a bit about agriculture, coming from the State of Illinois—is not based upon the number of acres of land that someone farms; it is not based upon the number of animals someone owns. The health and the vitality of rural America is based upon the number of family farmers who live in the community, because when family farmers live in a community, somebody is going to own the land; no question about it.

We will always have an agriculture industry. We are always going to have a food industry. What is a more precious commodity than food? It is more precious than oil. The question is, How many farmers are going to live in the community that supports the schools, that supports the churches, that supports the synagogues, that supports small businesses? The farm dollar, if you are talking about a family farm, multiplies in the community where people live, where they buy—a community they care about. When you move to these conglomerates basically being in control and absentee investment, absentee ownership, when they make a profit, they don't invest it back into the community.

John Crabtree of the Center for Rural Affairs sums it up this way:

Replacing mid-size farms with big farms reduces middle-class entrepreneurial opportunities in farm communities, at best replacing them with wage labor.

He goes on to say:

A system of economically viable, owner-operated family farms contributed more to communities than systems characterized by inequality and large numbers of farm laborers with below-average incomes and little ownership or control of productive assets.

Can't we get at least a little additional funding to GIPSA so they can do the job, so they can be there on the side of our producers, so they can investigate whether or not we have monopoly practices, so they can investigate whether or not family farmers are getting a decent price, so they can investigate whether or not we have a few packers who are in collusion, who are involved in anticompetitive practices? I think we can.

To provide a little more context, we are living in a time of merger mania. Joel Klein, who is doing a great job, head of the Justice Department's antitrust division, has pointed out that the value of last year's mergers equaled the combined value of all mergers from 1990 to 1996.

I heard Senator McCAIN make part of his argument. I am not sure I agreed with all of his argument, but one of the things Senator McCAIN focuses on, which is fair enough, is the whole issue of money and politics. I would argue that here we have a perfect example.

Pick your industry. In agriculture, I am talking about the way in which these conglomerates have controlled the market. How about the airline industry? In my State of Minnesota, we are reading every other day that Northwest might merge with American Airlines. We have already heard about U.S. Air and United. We only have about six airlines now. We might get down to three megacompanies. The question is, What is the impact on consumers and what is the impact on the employees? What is the impact on the State?

I could talk about banking. I could talk about energy. I could talk about health insurance. I could talk about any number of sectors of the economy. I could talk about telecommunications. Look at what has happened since we passed that bill. Where is the protection for consumers? And with all due respect, when we talk about a key issue, the flow of information in a democracy, we don't want to have a few media conglomerates controlling almost all of the flow of information in a democracy.

I am speaking about the food industry, this very modest amendment. We make policy choices. We paved the way for family farming with the Homestead Act. It was a good thing to do. We enacted parity legislation which was all about better prices, fair prices for family farmers in the 1940s. It was a good thing to do. Then we cut loan rates in the 1950s and 1960s. We passed the "freedom to fail" bill—I call it the "freedom to fail" bill—a few short years ago. It dramatically reduced prices farmers got in the marketplace. I don't think it was a very wise thing to do. Above and beyond all of that, today, what I am saying is, let's at least vote for this modest amendment.

Going back to Lee Swenson's testimony, of the National Farmers Union:

The remaining firms are increasing market share and political power to the point of controlling the governments that once regulated the firms. Some of the biggest corporations have gotten tax breaks or other government incentives. . . . Corporate interests have also called on the government to weaken environmental standards and immigrant labor protections in order to allow them to reduce production costs.

The bigger these agribusinesses get, the more influence they have over our policy choices. The bigger they get, the more money they can spend on political campaigns. The bigger they get, the more lobbyists they can hire. The bigger they get, the more likely they are to be named special U.S. trade representatives, as is the case with the CEO of Monsanto. The bigger they get, the more likely public officials will be to confuse their interests with the public interest, even if they don't already do that. And the bigger they get, the more weight they will pull in the media. It is a vicious cycle. These conglomerates have entirely too much political power. Their overwhelming size makes it too easy for them to dictate policies and to get even bigger.

There is something we can do in the short term. That is what this amendment is about. We can provide GIPSA with adequate funding to conduct on-the-ground investigations of market concentration.

This is a modest amendment. We ought to have 100 votes for this amendment. Over the longer term, we ought to do more. We ought to focus on how we can enhance the bargaining power of our producers. We ought to figure out how we can be there on the side of producers, on the side of farmers, on the side of ranchers, on the side of rural America, and on the side of consumers. I look forward to bringing a significant piece of antitrust legislation that Senator DASCHLE has introduced to the floor of the Senate and having a major debate about what kind of antitrust action makes sense.

Referring to the minimum wage, in many ways that is what family farmers are saying, too. We have families in the country who are saying: We want to be able to make enough of a wage that we can support our families. We have family farmers who are saying: We want to be able to get at least a decent price so that we can afford to support our families.

We should be sensitive to that concern. We should do no less than to at least pass this very modest amendment. This amendment would increase the fund for GIPSA by \$3.95 billion to fund essential programs. The offset comes out of ERS.

I think this vote is a vote that is critically important in farm country. It is also a critically important vote for Senators who are on the side of consumers. I hope we will have strong support for it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, to my understanding, the Senator from Mississippi, the manager of the bill, wishes to make a motion to table. If that is the case, I would like to enter into a unanimous consent request that the vote occur following the vote on the motion to table on the sugar amendment.

Mr. COCHRAN. Mr. President, if the Senator will yield, it was my intention to move to table the Wellstone amendment, but I understand there may be other Senators who want to speak on that amendment. I do not want to cut off anybody. I do not intend to move to table at this time.

Mr. WELLSTONE. I thank my colleague for his courtesy.

Mr. COCHRAN. Mr. President, I am hopeful that the Senate will seriously consider the proposal the Senator from Minnesota made. Senator WELLSTONE offered an amendment to actually cut the Economic Research Service funding provided in this bill and add the money to the Grain Inspection, Packers, and Stockyards Administration for some investigations. He lists the investigations that ought to be undertaken,

which would be funded by this additional money. The fact is, any amount of money could be spent investigating these subjects. He lists these: investigations of anticompetitive behavior; rapid response teams; the hog contract library; examinations of the competitive structure of the poultry industry, civil rights activities, and informational staff.

What I am saying is that I would hate for the Senate to be put into a position of having to analyze this and trying to figure out if we have enough money for the Grain Inspection, Packers, and Stockyards Administration and all of the responsibilities they have. We have tried to go through the President's budget request, analyze it carefully, and then present to the Senate an allocation of limited funds, and suggest that this is appropriate for the Senate to pass. We think the Economic Research Service, to be cut as proposed by Senator WELLSTONE, would be put in a difficult position of trying to provide accurate, reliable information that is helpful to farmers who are in the business of producing crops and commodities, who make their living at this, and who depend upon the Government agency that will be cut by this amendment. We think the funds are needed. We have checked with that agency to see what the impact of this offset would be on them, and they—maybe predictably—suggest that it would work a real hardship.

We have had a difficult time making available funds for some of these agencies to accommodate pay increases, staffing requirements, and all of the other items of expense in the operation of the Department of Agriculture that would support important economic activities in our country. And so rather than try to figure out what to try to do with this amendment and how to resolve it, I really think the best thing to do is to move to table it and ask the Senate to support the committee's judgment.

I have a lot of regard for the Senator from Minnesota and his enthusiasm for these subjects. I sympathize with his concerns. He has made a good speech. He has made a persuasive appeal to the Senate. In spite of that, I really think we need to stick with the committee's judgment on this. This bill has been developed on a bipartisan basis, with the full participation of Senators on the Democratic side. We have listened to suggestions from all Senators on both sides. So my hope is that the Senate will trust the committee. That is what the committee structure is about when it comes to questions such as this. There is no way for each individual Senator to look at this amendment and figure out all the practical consequences of it, consider the offset suggested, and then make a decision.

Do you support the amendment offered by the Senator from Minnesota or do you support the committee? That is the issue. I hope the Senate will support the committee's judgment on this issue.

I know now, after inquiry, that there are no other Senators who have asked to speak on this amendment. I move to table the Wellstone amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the vote on the Wellstone amendment occur immediately following the vote on the motion to table the McCain amendment, which is going to take place at 2 o'clock.

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

Mr. REID. Mr. President, I ask unanimous consent that no second-degree amendments be in order to the Wellstone amendment.

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

AMENDMENT NO. 3917

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I know we are getting ready to vote in a few minutes. I wanted to thank my distinguished colleagues from Mississippi and Iowa for managing an important appropriations bill. It is so important to my State of Louisiana and to many States and communities in this Nation.

I want to take 2 minutes, though, to address the sugar issue that was earlier debated on the floor and to submit some things for the RECORD. I listened to the debate this morning, and I know the sugar program, every year, seems to conjure up all sorts of images that the opponents of this cost-effective program try to use: "It is a sweet deal." "It is a candy-coated program." "It leaves a sour taste in people's mouths." Don't let these quick sound bites fool you. All the sugar farmers and sugar beet farmers and producers in Louisiana and other communities who support these farmers and producers want is fairness.

Mr. President, there is nothing sweet about fatigue. That is what many of our farmers in this Nation are experiencing this year—fatigue. They are tired. They are stressed. Prices are low. There is drought in many areas of our Nation. Farmers have been through a tough time, and sugar farmers are no exception.

This is a program that works. This is a program to which the taxpayers provide very little money. This is a loan program. Actually, as has been said in the RECORD over and over again, the sugar policy that we now have supported overwhelmingly—good support year after year—doesn't cost the Government anything. It has been a revenue raiser of nearly \$300 million during the decade of the nineties. All of the 300 to 400 sugar farmers in Louisiana, their suppliers, and the communities that support them want is fairness. They would be shocked to know that the program that we understand as a loan program is termed by some as

a "giveaway" program because they believe they are giving back. They believe they are paying taxes, and they are. They believe they are supporting communities in Louisiana and others around the Nation. It is not just Louisiana; it is Florida, Texas, California, Wyoming, and Montana, as I can see and share from the map in front of me.

This is an important industry in our Nation, and I think the underlying amendment would be devastating, obviously, to eliminate this program at a time when there is such a great need and at a time when it is actually a revenue raiser.

Let me also make a point that the opponents of the sugar program argue that we are trying to kill all imports. Nothing could be further from the truth. Nearly 20 percent of all of our sugar needs are met from imports from 40 different nations. This program works. It is a loan program. It is an issue of fairness. It is a time of difficulty. It is not time to eliminate this program now.

I urge my colleagues on both sides of the aisle to vote against the underlying amendment that would eliminate this program, which has been helpful not only to Louisiana but to many States and many communities around the Nation.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the McCain amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING) is necessarily absent.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. ROCKEFELLER) would vote "aye."

The PRESIDING OFFICER (Mr. VOINOVICH). Are there any other Senators in the Chamber desiring to vote?—

The result was announced—yeas 65, nays 32, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—65

| | | |
|----------|------------|------------|
| Abraham | Dorgan | Lieberman |
| Akaka | Durbin | Lincoln |
| Allard | Edwards | Lott |
| Ashcroft | Enzi | Mack |
| Baucus | Graham | McConnell |
| Bayh | Grams | Moynihan |
| Bennett | Grassley | Murkowski |
| Bingaman | Hagel | Murray |
| Bond | Harkin | Reid |
| Boxer | Hatch | Robb |
| Breaux | Helms | Roberts |
| Bryan | Hollings | Sessions |
| Burns | Hutchison | Shelby |
| Campbell | Inhofe | Smith (OR) |
| Cleland | Inouye | Stevens |
| Cochran | Jeffords | Thomas |
| Conrad | Johnson | Thurmond |
| Craig | Kerrey | Torricelli |
| Crapo | Landrieu | Warner |
| Daschle | Lautenberg | Wellstone |
| Dodd | Leahy | Wyden |
| Domenici | Levin | |

NAYS—32

| | | |
|------------|------------|------------|
| Biden | Gramm | Reed |
| Brownback | Gregg | Roth |
| Byrd | Hutchinson | Santorum |
| Chafee, L. | Kennedy | Sarbanes |
| Collins | Kerry | Schumer |
| DeWine | Kohl | Smith (NH) |
| Feingold | Kyl | Snowe |
| Feinstein | Lugar | Specter |
| Fitzgerald | McCain | Thompson |
| Frist | Mikulski | Voinovich |
| Gorton | Nickles | |

NOT VOTING—2

Bunning Rockefeller

The motion was agreed to.

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

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 3922

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 3922. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—51

| | | |
|------------|------------|------------|
| Allard | Frist | McCain |
| Bennett | Gorton | McConnell |
| Biden | Gramm | Murkowski |
| Breaux | Grams | Nickles |
| Brownback | Gregg | Roberts |
| Byrd | Hatch | Roth |
| Campbell | Helms | Santorum |
| Chafee, L. | Hutchinson | Sessions |
| Cleland | Hutchison | Shelby |
| Cochran | Inhofe | Smith (NH) |
| Collins | Jeffords | Snowe |
| Craig | Kohl | Specter |
| Crapo | Kyl | Stevens |
| DeWine | Lincoln | Thomas |
| Domenici | Lott | Thompson |
| Enzi | Lugar | Thurmond |
| Fitzgerald | Mack | Warner |

NAYS—47

| | | |
|----------|------------|-------------|
| Abraham | Feingold | Lieberman |
| Akaka | Feinstein | Mikulski |
| Ashcroft | Graham | Moynihan |
| Baucus | Grassley | Murray |
| Bayh | Hagel | Reed |
| Bingaman | Harkin | Reid |
| Bond | Hollings | Robb |
| Boxer | Inouye | Rockefeller |
| Bryan | Johnson | Sarbanes |
| Burns | Kennedy | Schumer |
| Conrad | Kerrey | Smith (OR) |
| Daschle | Kerry | Torricelli |
| Dodd | Landrieu | Voinovich |
| Dorgan | Lautenberg | Wellstone |
| Durbin | Leahy | Wyden |
| Edwards | Levin | |

NOT VOTING—1

Bunning

The motion was agreed to.

Mr. COCHRAN. I move to reconsider the vote by which the motion to table was agreed to.

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

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. ROCKEFELLER. Mr. President, could I just offer a unanimous consent request?

Mr. HATCH. Mr. President, I yield without losing my right to the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

EXPLANATION FOR NOT VOTING

Mr. ROCKEFELLER. Mr. President, on rollcall vote No. 219 I was unavoidably detained and missed the vote. Had I been present, I would have voted for the motion to table the McCain amendment. I ask unanimous consent that I be so recorded.

The PRESIDING OFFICER. The RECORD will reflect the Senator's decision.

The Senator from Utah.

Mr. HATCH. Mr. President, Senator DURBIN and I wanted to take this opportunity to urge support for our amendment which is intended to speed up generic drug reviews at the Food and Drug Administration. We are pleased to announce that the Hatch-Durbin amendment is cosponsored by Senators DEWINE, LEAHY, WYDEN, FEINSTEIN, GRAHAM of Florida and VOINOVICH.

Specifically, our amendment increases funding for FDA's Center for Drug Evaluation and Review by \$2.0 million over the Committee-recommended amount.

We intend these funds to be used to provide much-needed additional resources, that is, appropriately-equipped staff, to the Office of Generic Drugs. This will help them reduce review times for generic alternatives to brand-name pharmaceuticals, a considerable benefit to the consumer.

One way they can do this is by establishing an additional chemistry division which will allow OGD to increase its efficiency thus permitting applications for new generic drugs to be considered and approved much more rapidly, giving patients access to these products much more quickly.

Mr. President, when I travel throughout my home state of Utah, I am besieged by constituents who raise very valid complaints about the need to improve drug coverage for the elderly and others who cannot afford needed medicines. I am very sympathetic to those concerns, and have made this a high legislative priority.

But while we are in the midst of devising a program to improve Medicare coverage of pharmaceuticals, it is important to remember that generic drugs offer a less-costly, safe alternative to brand-name medicines for seniors and others who cannot always afford prescription drugs.

Our amendment will help offer those who are struggling to make ends meet a viable alternative. It will help get less expensive and more affordable prescription drugs on the market more quickly so that seniors will have additional choice when it comes to purchasing their medications.

None of us wants these vulnerable citizens to be faced with the Hobson's

choice of whether to purchase food or needed medications. The American public, especially our seniors, can only benefit from having more generic drug products available to them.

The problem we face is that the level of FDA resources devoted toward the review and approval of generic drugs can be termed "modest" at best.

The Office of Generic Drugs is currently funded at \$37.8 million and was flat-lined in the Administration's FY 2001 budget request.

In contrast to this relatively modest sum available for generic drug review, I would point out that the overall budget for human drug review at the FDA Center for Drug Evaluation and Research is \$308 million. This represents a total of 2,554 full time equivalents.

So the amount devoted to generic drug barely exceeds 10 per cent of the human drug review budget.

Hiring additional professional review personnel, together with the necessary computer equipment, at OGD would cost about \$100,000 per reviewer. So our amendment will translate into about 20 additional staff members and the computer equipment they need which would certainly be adequate to fund a new chemistry division.

The FDA generic drug program currently utilizes about 370 staff members. This amendment, coupled with the \$1.2 million, already in the Senate bill will give the generic drug unit at FDA a needed shot in the arm.

As a principal author of the Drug Price Competition and Patent Term Restoration Act of 1984, I have long been interested in how we can provide better access to pharmaceuticals, which can do so much to improve the health of the American public. Our nation needs both innovative new drugs and affordable generic drugs.

I am particularly pleased that today about 40 per cent of all U.S. prescriptions are written for generic products—most of which were made available for generic competition under the 1984 law.

These generic drugs save consumers about \$8 billion to \$10 billion each year. And that's according to a CBO estimate based on 1994 data, so it seems reasonable to project that today's savings must be even higher than the old \$8 billion to \$10 billion annual savings estimate.

Many of us have been pleased to learn that, since 1994, generic drug approval times have generally decreased: the median approval time was 26.9 months in 1994; 27.0 months in 1995; 23 months in 1996; 19.3 months in 1997; and, 18 months in 1998.

Unfortunately, this five year downward trend was reversed in 1999. The approval time rose to 18.6 months. This was in a year when the number of products approved actually fell from 225 drugs to 186 drugs. So the time per completed review grew for the first time in 5 years and it is now growing at

a time when many important drug products will be coming off patent.

We cannot afford to let this continue.

The data on the monthly averages pending applications are also troublesome. Under the law, FDA has 180 days to act on a generic drug application.

Let's look at what is happening with the number of generic drug applications that are overdue—that is at FDA for more than 6 months. In 1995 the monthly average of backlogged generic drug applications was 46 applications.

This number increased to 59 in 1996.

It jumped to 109 in 1997.

In 1998, it rose to 127 overdue applications.

And last year, the average monthly number of overdue generic applications rose again to 147 overdue applications.

So the number of overdue generic drug applications has grown by more than 300 percent since 1995.

Clearly, this trend needs to be reversed.

It seems obvious to me that we want FDA to have sufficient resources to efficiently evaluate generic drug applications. The funds the Hatch-Durbin amendment provides would be sufficient to fund about 20 full-time equivalents (or "FTEs") in the Office of Generic Drugs.

Given the fact that so many important medications are about to lose their patent status, it is imperative that FDA has the necessary skilled personnel and computer equipment to do the job of assuring the American public that generic drug products come on the market as soon as possible.

We need to make sure that FDA's Office of Generic Drugs has sufficient resources to conduct timely reviews of generic drug applications. That's what this amendment accomplishes, and that is why Senator DURBIN and I have joined together in a bi-partisan manner to work to see that the promise of more affordable generic drug products reach the American public.

Mr. President, this is an important amendment. I am pleased that the managers are willing to put it into the bill. I think it is something that will benefit everybody in this country. Hopefully, we can resolve some of these conflicts with regard to generic drugs and help bring the price of drugs down, as the Hatch-Waxman bill has done for the last 16 years.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I join my colleague, the Senator from Utah, Mr. HATCH, in offering this amendment for consideration by the Senate.

This is an amendment which will provide \$2 million more for the processing of approvals of generic drugs.

We are all familiar with the issue of prescription drug prices. We certainly understand that Congress should do as much as possible to help reduce the high cost of these prescription drugs, particularly for the elderly and disabled.

One of the things we are doing with this bipartisan amendment is providing more money to the Food and Drug Administration for generic drug approvals. The high prices of drugs can be significantly reduced by putting more generic drugs on the market. Generic drugs typically enter the market 25 to 30 percent below the cost of brand name drugs and within 2 years are 60 to 70 percent cheaper than brand name drugs. Increasing the development of safe and effective generic drugs, is good for American consumers.

Key to increasing access to such drugs, is making sure that the approval process is as efficient as possible. This chart illustrates the number of applications pending more than 180 days before the Food and Drug Administration for generic drugs. As we can see, the numbers have continued to increase. This is because the numbers that the Food and Drug Administration is being asked to approve has increased over the past few years.

In fact, the median approval time for generics has steadily decreased from 19.6 months in 1997 to a little over 18 months in 1998 and 17.3 months in 1999. But under the present budget, according to the Food and Drug Administration, they are estimated to go up again in 2000 and 2001, and we are going to see a slowdown in the approval of generics.

Senator HATCH and I have offered this amendment to provide \$2 million to the Office of Generic Drugs. It is on top of the increase which the bill already puts in place of \$1.2 million. This money will allow them to hire the professional people to approve the drugs, to put the computers and technology in place so that they can move forward with new ways to assess the drugs on a more timely basis, and to make certain that these drugs are available for American consumers as quickly as possible.

Very soon some of the blockbuster patent drugs are going to come off patent. Let me give some examples: Mevacor for high cholesterol, Vasotec and Zestril for high blood pressure, Glucophage for diabetics, Accutane for cystic acne, Lovenoxx to prevent blood clotting and Prilosec for those with stomach acid, heartburn or ulcers. These brand name drugs have sales of billions of dollars. Prilosec alone has sales of over \$2.8 billion annually. Together, these drugs represented over \$8 billion in sales in 1997. This year, their sales are certainly far more than this.

If we want to make certain these drugs move from brand name to generic so consumers across America can afford them, then the investment in the Food and Drug Administration which Senator HATCH and I propose is money well spent. I am happy to join Senator HATCH in this effort. I hope the Senate will approve this amendment and make it part of this appropriation bill.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, may I ask exactly how we are proceeding here?

Mr. REID. Mr. President, I think what the manager of the bill wanted to do was to have the Harkin amendment disposed of at this stage.

Mr. COCHRAN. Mr. President, if the Senator will yield, the pending business is the Cochran amendment to the Harkin amendment. It would be helpful, just as a coherent way of proceeding with the bill, if we would proceed in regular order.

Mr. REID. Senator HARKIN is here.

Mr. COCHRAN. It is my hope we could proceed to dispose of that amendment.

Mr. REID. Momentarily, we should.

Mr. COCHRAN. As I suggested earlier, if the Senator will yield further, it would suit me if we adopted both the Cochran amendment and the Harkin amendment on a voice vote to try to resolve the issue in conference with the House. I made that suggestion earlier.

Mr. REID. I suggested that to Senator HARKIN and when I spoke to him earlier today, he was not willing to do that.

Mr. WELLSTONE. Mr. President, I ask both Senators, the Senator from Mississippi or the Senator from Nevada, after we make a decision as to how we will proceed with the Harkin amendment and the Cochran amendment, am I in order next or do we go to an amendment on the other side? Just so I know whether I should need to be here. I am trying to move things forward.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I appreciate that spirit of cooperation very much. I hope we can move on and complete action on the bill sometime this afternoon. To do that, we are going to have to act on the amendments we have that are going to be offered. It doesn't matter, in my view, who goes next. I don't really care. I am anxious that we proceed and move along and make good progress on the bill. Some Senators have already indicated that the list of amendments we have in order to be offered to the bill will not all be offered. That is good news. We have had some Senators suggest that they are willing to forgo offering their amendments.

Mr. REID. Mr. President, if I may reclaim the floor, the two leaders have instructed the managers of the bill, as I understand it, that they want to finish this bill today. Is that the manager's understanding?

Mr. COCHRAN. It is.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that as soon as we make a decision on the Harkin amendment, I be allowed to offer an amendment.

Mr. REID. I think there is already a unanimous consent agreement that following the amendment by the majority, the Senator from Minnesota will be next in line.

Mr. WELLSTONE. I thank the Senator.

Mr. REID. 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. HARKIN. 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. 3938

Mr. HARKIN. Mr. President, parliamentary inquiry. What is the regular order right now?

The PRESIDING OFFICER. The pending question is on the Cochran amendment.

Mr. HARKIN. Thank you.

Mr. President, let's go back to where we were a few hours ago when I first offered an amendment this morning. That amendment would state clearly that the Department of Agriculture—the Secretary of Agriculture—had the authority to set standards for pathogen reduction in meat and poultry inspection. Again, the amendment was carefully drafted not to set the standard. That should not be our business.

The reason for the amendment was precipitated by a court case in Texas in May in which a Federal district court judge found that the Department of Agriculture—the Secretary of Agriculture—lacked the statutory authority to set and enforce pathogen reductions in meat and poultry inspection.

When the Department established its new inspection rules in 1996, the USDA adopted a new food safety system based on hazard analysis, critical control points, and pathogen reduction standards, otherwise known now as HACCP. The system was designed to protect human health by reducing the levels of bacteria contamination in meat and poultry products. It has been in existence now for 4 years.

What then happened was we had this plant in Texas, Supreme Beef. Three times they were warned by the inspectors that they were not meeting the salmonella reduction standards. Three times they failed. It is not that they weren't warned adequately; they were. On the third time when they failed it, the USDA did the only thing they could do under the authority they have, and that was to withdraw inspection from the plant, and, in effect, by withdrawing inspection from the plant, the plant had to shut down.

The plant hired attorneys and took the case to district court and got an injunction. They got an injunction against the USDA so that they could keep operating, and they did. Then the judge decided, after a hearing, that the USDA lacked the legislative and statutory authority to both implement the rule and to enforce it. That is why we are here today with this amendment.

We have worked long and hard on this. This is not something new. During the 1980s and 1990s, both the House and

the Senate Agriculture Committees had numerous hearings. The Department of Agriculture, under both Republican and Democratic Presidents, had numerous field hearings and rule-making procedures. They eventually came up with this new program that blended the old inspection program with new flexibility for industry and new standards for pathogen reduction.

Why was this necessary? Because we have bigger plants now, faster assembly lines, meat and poultry go through the system faster; and we also found increases, according to the Centers for Disease Control, in a number of foodborne illnesses that we had not seen before in our country. So we wanted to have a system whereby we could assure consumers of the highest level of confidence that once that meat left the slaughterhouse, once it left the processor, it would be as safe as possible.

Here again are CDC's statistics on foodborne illness. I had this chart this morning. It indicates that there are 76 million illnesses every year because of foodborne pathogens, 325,000 hospitalizations, and 5,000 deaths.

Now, since we established the rule in 1996, salmonella rates in ground beef have dropped 43 percent for small plants and 23 percent for large plants.

Since these performance standards were issued in 1996, we have had this big drop in salmonella in ground beef. The standard is working. But now a district court has said USDA lacks the statutory authority to enforce that standard. That was why I offered my amendment this morning. Not to set a standard but only to say USDA has the statutory authority to enforce a standard once it has been set. Adoption of my amendment doesn't mean that a packing plant or a processing plant couldn't still go to court and say: Your rule is arbitrary or it is onerous or it is inapplicable. But we never got to that in the Supreme Beef case. The Court just said they lacked the authority to set the rule.

So they have thrown overboard years and years of work by the Senate Committee on Agriculture, the House Committee on Agriculture, and the Department of Agriculture under both Republicans and Democrats, and Republican and Democratic Secretaries of Agriculture to make progress in improving food safety.

This morning, I tried to give statutory authority to the Secretary of Agriculture because without authority to enforce food safety standards, consumers are left exposed in this country. All we are trying to do is give them that authority.

There was a motion to table the amendment made by the Senator from Mississippi. The motion to table lost on a tie vote. The Senator from Mississippi then put a second-degree amendment on my amendment. We were taking a look at it trying to figure out exactly what it did. It only changes a few words in my amendment.

My amendment says at the end, standards "established by the Secretary"—not our standard but standards set by the Secretary. The amendment by the Senator from Mississippi strikes that "established by the Secretary" and says "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods." The key part of his amendment is "and that are shown to be adulterated."

What do those words mean?

First of all, when they say "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods," the committee was there when they first came up with the standards. They had input on the standards when they were established in 1996. There may be debate about the extent of consultation, but they were consulted. But the key words of the amendment by the Senator from Mississippi are these: "that are shown to be adulterated."

What does that mean? If the amendment of the Senator from Mississippi is adopted, it will mean that the Department of Agriculture will have to go all the way back and again go through rulemaking to develop new performance standards. We, under the amendment of the Senator from Mississippi, are codifying a standard.

The Senator from Mississippi, this morning, was saying the amendment that I offered was codifying the standard. I challenged him to show where that was so. It is not so. We do not codify a standard. Yet the amendment of the Senator from Mississippi codifies a standard. What is that standard shown to be? Adulteration; that is the standard.

What does that mean? It means that USDA now can't just go into a plant and test for pathogen reduction and for salmonella and say they are not meeting the standard on salmonella—that they are failing to reduce pathogens. They now have to show that the meat is adulterated. That is what we have been doing for 70 years. A USDA inspector in a plant has had that authority for all of my lifetime, and for all of the lifetime of the Presiding Officer. They have the authority to go into a plant and withdraw inspection on the basis of adulteration. That is the old standard.

The Senator from Mississippi would turn the clock back to where we were before 1996. No longer will we be able to say to parents: Your kids can have school lunches and not worry about pathogens because we have a pathogen reduction standard that is being enforced. No, we will have a gaping hole there because USDA will now have to show that the food is adulterated. It will have to show that the plant is unsanitary. That is what we tried to get beyond in 1996.

The key part of the amendment by the Senator from Mississippi is that it codifies the adulteration standard as the essential element of pathogen reduction standards. Yet the Senator

from Mississippi went after this Senator, just this morning, claiming that I was trying to codify a standard, which I wasn't. The judge in the Supreme Beef case said that for the USDA to take action, it had to show adulteration. That was the key part of the case. The judge said under the statutory law that exists, the only way the USDA can shut down an inspection line is if they show that it is adulterated—not that they didn't meet a salmonella reduction standard, not that they had pathogens in their food. They have to show that it is adulterated, that there are unsanitary conditions in the plant.

Based on that holding, the judge said the USDA lacked the authority to enforce the existing salmonella standards. This amendment takes the holding in the Supreme Beef case, and makes it the law of the land. It makes the standard "adulteration". This amendment would make it the law of the land—not just in Texas but all over the country. Why would we want to do that? If we have to go back to "promulgate with the advice," we will be another 2, 3, or 4 years waiting for pathogen reduction standards.

What do we tell our consumers in the meantime? There is no standard. We go right back to where we were before. What do we tell the 325,000 Americans hospitalized every year because of foodborne illnesses? What do we tell the parents of kids eating school lunches? This amendment by the Senator from Mississippi would throw all of our meat inspection into a huge morass. It would basically say we are back now where we were 30 years—poke and sniff and have to prove that it is adulterated, or have to prove it is unsanitary.

What does that mean? Salmonella can enter meat, for example, anywhere. It can enter it in the livestock yards, slaughterhouses, transportation, processing facilities. The point is not to lay blame on anyone. It is not to have the processor say: Our plant is clean, it is sanitary, and if there is salmonella there, we are not to blame, go blame somebody else.

I don't care who is to blame. I want to stop it. We want to stop it. We want to make sure that there is a system in place so that if there are pathogens in meat and poultry, we find out where they are coming from and stop them. That is what HACCP is all about. But under the amendment by the Senator from Mississippi, USDA could go right back to Supreme Beef, and they could say: Guess what. You are not meeting the salmonella pathogen reduction standard we set, you have failed too many tests. Supreme Beef could say: We don't care what you think because you don't have the authority to do anything about it. Is that the kind of message we want to send to our consumers?

I don't have any letters in my office, but someone told me there are some papers circulating that the American Meat Institute is opposed to my

amendment and supporting the amendment by the Senator from Mississippi. I have worked many years for the American Meat Institute. I have a high regard for them. I have a lot of livestock production in my home State. I have slaughtering facilities and processing facilities in my home State. If it is true the American Meat Institute is taking the position that the USDA can only have a pathogen reduction standard based on adulteration, they are doing a disservice to my livestock providers, they are doing a disservice to my packers, and they are doing a disservice to my processors.

Why? Because the word will be out on the street, and it will be in every consumer report. It will be in every newsletter that goes out that you can't trust the meat and poultry products that are coming from our processors and our packers because we no longer have a pathogen reduction standard.

Let me be very clear. If the Cochran amendment is adopted, new rulemaking will be mandatory. It will take at least 2 or 3 years to set the rules because they will have to have hearings and public comment. They went through all that less than 6 years ago. The Cochran amendment means they have to go through it again.

What happens during the next 2 to 3 years while the rulemaking is in effect? There will be no standards in effect, no pathogen reduction standards in effect. I hope Senators who are here, who are listening in their offices, and staffs who are listening, understand this. The Cochran amendment will necessitate new rulemaking. It will take a long time, and during that period of time, there will be no pathogen reduction standards enforceable by the USDA.

If the Senator wanted to amend his amendment and just say that would be issued "with the advice of the National Advisory Committee on Microbiological Criteria for Foods, period," that would be acceptable.

Mr. COCHRAN. Will the Senator yield?

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

AMENDMENT NO. 3955, AS MODIFIED

Mr. COCHRAN. I ask unanimous consent that my amendment to the Harkin amendment be modified as suggested by the Senator; that the last phrase be stricken—"and that are shown to be adulterated"—so the amendment to the amendment reads:

Strike "established by the Secretary" and insert in lieu thereof: "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods."

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

The amendment, as modified, is as follows:

On page 2 of the amendment: Strike "established by the Secretary" and insert in lieu thereof: "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods."

Mr. HARKIN. Mr. President, I ask the Senator from Mississippi if I can engage in a colloquy.

The Senator's amendment now reads "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods."

Mr. COCHRAN. That is correct. I have modified my amendment according to what the Senator has just said would be accepted. I assume the Senator will accept the amendment and we can adopt it.

Mr. HARKIN. I think we may have an agreement.

If I could ask the Senator from Mississippi, is it the Senator's intention to leave the existing standards in effect during the period of time that the committee would make recommendations?

My problem is "promulgated." I had two issues with the Senator's language. One, my problem with "adulterated", has been taken care of; the other, what does "promulgated," mean remains. If USDA promulgates new standards and in the meantime can't enforce the existing standards, we are going to have a 2- or 3-year period of time where we have no enforceable pathogen reduction standards.

I ask the Senator, Is it your intention that during this period of time we would leave the existing standards in effect?

Mr. COCHRAN. Mr. President, if my amendment is accepted by the Senator, my amendment would amend your amendment only in one respect; that is, on page 2 of the amendment we would strike the words "established by the Secretary" and insert the language that I quoted: "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods."

That is the only respect in which my amendment would modify or change the amendment of the Senator from Iowa. In all other respects, the Senator's amendment remains as he offered it.

Mr. HARKIN. Again, I understand that. But I am concerned about the words "promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods." I don't mind that. They were involved with the standards established in 1996.

If it is the Senator's intention that the Department of Agriculture should go ahead, go back and take a look at whether or not they should revise those rules and those standards, I don't have any problem with that. That is what rulemaking is all about.

I am worried that we will have a gap of time where we will have no enforceable standards. That is why I want to make sure that at least during the period of time when they may be revising those standards the existing standards remain enforceable.

My concern, again, is if someone were to raise a question about the extent at which the existing standard was set with the advice of the committee, I want to make sure that would

not bar enforcement. If we had a colloquy to clear that up, that standards would stay in place pending any changes in rulemaking, that would be fine.

I ask if that is the Senator's intention.

Mr. COCHRAN. Mr. President, if the Senator will yield again, I think my amendment speaks for itself. If it is unclear, then the legislative history and trying to determine the intent of Congress in the use of the words is relevant. If the language is clear on its face and the meaning is clear on its face, then legislative history and intent and our conversation is never considered by a court.

My view is that this is about as clear as we can say anything. That is, that any regulations promulgated under the authority of this act to which the Senator's amendment applies must be done with the advice of the National Advisory Committee on Microbiological Criteria for Foods. That is all my amendment seeks to do. That is all that is intended by my amendment. There is no intent to speak on any other subject, to affect the decisions of the Department of Agriculture in promulgating standards, promulgating regulations. My amendment is limited strictly to seeking the advice in the process of promulgating standards of the National Advisory Committee on Microbiological Criteria for Foods. I don't know how I can say it, how it can be said any clearer than the language of the amendment says it. So the Senator can ask me whether I intend anything else and I can assure him I don't intend anything else, other than the clear and precise meaning of the words that are used in the amendment.

Mr. HARKIN. As the Senator and I were talking earlier, lawyers can argue about words and what they mean. Still, the words that are used in the Senator's amendment seem to indicate to me we have to go through rulemaking. Again, I am concerned, if that is how it is interpreted, then we are going to have a period of time that we may not have any enforceable standards. That is what I want to clarify.

That is why I wanted to engage in the colloquy. I do not believe it is clear, on its face, exactly what it means.

If it means that the standards we have now were promulgated with sufficient advice that we would not need new rulemaking, then that is okay. That is why we need some legislative history on this. That is why I was trying to engage in a colloquy.

I ask the Senator from Mississippi: Does his language mean USDA will have to go through rulemaking again? Does this leave a gap in the standards? That is all I am trying to get to. Maybe if we can talk about it a little more, we will get to this thing. I don't know. Sometimes it is hard.

Mr. COCHRAN. If the Senator will yield, I will be happy to assure him that my intent in offering the amend-

ment is to involve the National Advisory Committee on Microbiological Criteria for Foods in the process by which the Secretary promulgates regulations or standards with respect to this act to which his amendment relates.

Mr. HARKIN. I have no problem with that. If that is the intent, to say—I will repeat to make sure I do not misunderstand—that the Senator's intent by using the word "promulgate" is to say that any future rulemaking—I want to make sure the Senator hears my words, to make sure I am OK on this—that any future rulemaking done by the Secretary of Agriculture has to be done with the advice of the National Advisory Committee on Microbiological Criteria for Foods, and that during any rulemaking when they are seeking that advice, the present standards will stay in place and be enforceable, that is fine.

Mr. COCHRAN. Mr. President, if the Senator will yield, my amendment does not address the present standards and the effect of the decision of the court in Texas. The amendment of the Senator deals with that. I am only trying to address one small aspect of this, and that is the involvement of this national advisory committee so the Secretary would have the benefit of scientific advice and evidence and information.

Mr. HARKIN. As I said, I—

Mr. COCHRAN. I don't think I can satisfy the Senator's curiosity about the legal effect of his amendment as amended by my amendment.

Mr. HARKIN. All I want to be satisfied about is that there will be enforceable standards in effect.

From what I hear, I like it. I want the committee to be involved in advising the Secretary. If the Senator tells me that the present rules that have been promulgated are still enforceable during the pendency of that consultation, then I have no problem. But the language says USDA can only enforce a standard if it is "promulgated with advice". I am wondering what this means for the standards we have right now. I want to clear this up.

Can the rules we have now be enforced? Or can only rules that are promulgated in the future be enforced with the advice of the committee? That is where we are hung up over these words. Words do have meaning.

I will say again, if the interpretation is that the standards that are now in effect remain enforceable, and that any future rules adopted by the Secretary have to be done with the advice and consultation of the committee, I have no problem with that. Then we don't have a gap. And I hope that is the meaning.

Mr. COCHRAN. Mr. President, if the Senator will yield for an observation, I accommodated the Senator's interest—I tried to—by modifying my amendment in a way that he said would make it acceptable.

Mr. HARKIN. Yes.

Mr. COCHRAN. I struck the language that he suggested bothered him. He read that language to be "that is shown to be adulterated."

He was worried about connecting proof of contaminated food with the ability of the Department of Agriculture to shut down a plant. And he thought with the addition of those words I was adding something new, a new hurdle that had to be crossed by the Department of Agriculture in implementing the standards. So I modified the amendment to remove the troublesome words, to assure him the crux of the amendment was to get the advice and the input of the experts, the scientific experts. And I modified it. And that is not enough. Now the Senator wants me to interpret the legal status of these regulations as they are affected by this district court decision in Texas.

This morning I tried to put that all in context. I know I am taking much too much time. I discussed the reasons for my motion to table the Harkin amendment. I have just about gotten worn out with explaining why I wanted to table the Harkin amendment, why I thought it was an amendment that ought not be put on this Agriculture appropriations bill. I have said it over and over again. The Senate voted on that, and the motion to table was not agreed to. The vote was tied, 49-49.

I could have let the amendment then be voted on by the Senate without any further amendment but, frankly, I thought it would be helpful to the Senate to clarify the rule problem I had with the amendment, and that was why we added the language as an amendment. I proposed at that time that amendment, the Cochran amendment to the Harkin amendment, be adopted by a voice vote and then the Harkin amendment be adopted by a voice vote.

Think about that. We had just had a tie vote on the whole issue. Yet we offered to let the amendment of the Senator that almost was tabled, lacking one vote to be tabled, be agreed to and go on to considering other issues. That was not good enough either.

We took up other business because the Senator was not prepared to proceed to consider the bill further. He wanted to do something else. We finally, now after having taken up several other amendments, get back to the Harkin amendment.

He complained and pointed out what was troubling him. We tried to modify it. I have done everything I can think up to satisfy the Senator and to give him the right to have his arguments on the floor of the Senate, to have this issue fully considered, and to have the Senate act on it.

I have gone about as far as one can go. I am hopeful the Senator will agree that the Cochran amendment can be adopted on a voice vote—if he wants to have a record vote, be my guest—and adopt the Harkin amendment on a voice vote, as amended by the Cochran amendment.

Otherwise, maybe I will try to renew the motion to table. Maybe Senators have heard enough now so they know what the facts are about this amendment and that it is an attempt to reverse a decision of a district court in Texas that can be appealed to the court of appeals if the Department of Agriculture wants to appeal it and if the Department of Justice wants to prosecute the appeal for them. That is up to the Department and the lawyers at the Department of Justice. I am being asked to interpret and sort through this and give a definitive answer about the effects when lawyers argued their case in Texas probably for a long and full time before a court there. They made a decision.

What I am saying is, I would like to satisfy the Senator, but I do not think there is any way to do it. We should just move on, and let's vote and see how the votes turn out.

Mr. HARKIN. Mr. President, I reclaim the floor. I was hoping there might be a reasonable outcome. As I said, the RECORD will show earlier I said there were two problems with the amendment. One was with adulteration, which the Senator took care of. The other was the word "promulgated."

If the Senator will further modify his amendment to say that future rules must be promulgated with the advice of the National Advisory Committee on Microbiological Criteria for Foods, that would settle the issue once and for all.

That means any future rulemaking done by USDA would have to be done with the advice of this committee, but that the existing rules meanwhile will stay in effect and be enforceable. If the Senator will do that, we are done.

Mr. COCHRAN. Mr. President, will the Senator yield?

Mr. HARKIN. I yield.

AMENDMENT NO. 3955, AS MODIFIED, WITHDRAWN

Mr. COCHRAN. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

VOTE ON AMENDMENT NO. 3938

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3938. The yeas and nays have been ordered.

Mr. REID. Mr. President, I ask unanimous consent that the yeas and nays on the amendment be vitiated.

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

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3938.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING) is necessarily absent.

Mr. REID. I announce that the Senator from Washington (Mrs. MURRAY) is necessarily absent.

The result was announced—yeas 48, nays 49, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—48

| | | |
|----------|------------|-------------|
| Abraham | Durbin | Leahy |
| Akaka | Edwards | Levin |
| Baucus | Feingold | Lieberman |
| Bayh | Feinstein | Lugar |
| Biden | Fitzgerald | Mikulski |
| Bingaman | Graham | Moynihan |
| Boxer | Grassley | Reed |
| Breaux | Harkin | Reid |
| Bryan | Hollings | Robb |
| Burns | Inouye | Rockefeller |
| Byrd | Johnson | Sarbanes |
| Cleland | Kennedy | Schumer |
| Conrad | Kerry | Specter |
| Daschle | Kohl | Torricelli |
| Dodd | Landrieu | Wellstone |
| Dorgan | Lautenberg | Wyden |

NAYS—49

| | | |
|------------|------------|------------|
| Allard | Grams | Nickles |
| Ashcroft | Gregg | Roberts |
| Bennett | Hagel | Roth |
| Bond | Hatch | Santorum |
| Brownback | Helms | Sessions |
| Campbell | Hutchinson | Shelby |
| Chafee, L. | Hutchison | Smith (NH) |
| Cochran | Inhofe | Smith (OR) |
| Collins | Jeffords | Snowe |
| Craig | Kerrey | Stevens |
| Crapo | Kyl | Thomas |
| DeWine | Lincoln | Thompson |
| Domenici | Lott | Thurmond |
| Enzi | Mack | Voivovich |
| Frist | McCain | Warner |
| Gorton | McConnell | |
| Gramm | Murkowski | |

NOT VOTING—2

Bunning Murray

The amendment (No. 3938) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3919

Mr. WELLSTONE. 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 Minnesota [Mr. WELLSTONE] proposes an amendment numbered 3919.

Mr. WELLSTONE. 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:

(Purpose: To require the use of certain funds transferred to the Economic Research Service to conduct a study of reasons for the decline in participation in the food stamp program and any problems that households with eligible children have experienced in obtaining food stamps)

On page 48, strike lines 12 through 16 and insert the following:

"(7 U.S.C. 612c): *Provided*, That, of the funds made available under this heading, \$1,500,000 shall be transferred to and merged with the appropriation for "Food and Nutrition Service, Food Program Administration" for studies and evaluations: *Provided further*, That not more than \$500,000 of the amount trans-

ferred under the preceding proviso shall be available to conduct, not later than 180 days after the date of enactment of this Act, a study, based on all available administrative data and onsite inspections conducted by the Secretary of Agriculture of local food stamp offices in each State, of (1) any problems that households with eligible children have experienced in obtaining food stamps, and (2) reasons for the decline in participation in the food stamp program, and to report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate: *Provided further*, That of the funds made available under this heading, up to \$6,000,000 shall be for".

Mr. WELLSTONE. Mr. President, I want to say to Senators at the beginning of my remarks, and I say to my colleague from Mississippi, I am going to try to be brief; I don't intend to speak for a long period of time. I want to summarize this amendment for Members of the Senate, and I want to talk about why I think this is one of the most important amendments I have ever brought up and why I would like to have a vote on it or a commitment that this stays in conference committee.

This amendment would provide a little additional funding, \$500,000, to the Food and Nutrition Service. This is all from within ERS. These are some good people. I am calling for the Food and Nutrition Service to be out in the field and to do some important policy evaluation for us about why it is that in the last half decade or so we have seen about a 30-percent decline in food stamp participation. There is not a 30-percent decline in poverty.

As a matter of fact, I am sad to say on the floor of the Senate that there has actually been an increase in the poverty of the poorest children in homes which have poverty-level income. They can evaluate why it is that one out of every ten households is "food insecure," some 36 million, 37 million, and 40 percent of them children. And with a major safety net program for children, we can make sure that children are not malnourished and don't go hungry. We have seen a dramatic decline in participation.

What is going on? We are the decisionmakers. We are the policymakers. Let's have an honest evaluation because the background to this program goes something like this: In the mid and late sixties—I remember I was a student at the University of North Carolina when these studies first came out. There were a series of studies and exposes. There was a CBS documentary—Hunger U.S.A., I think—in 1968. We saw children with distended bellies. We read about and heard about children who were suffering with scurvy and rickets. We could not believe that in America we had widespread malnutrition and hunger. We don't talk about this enough on the floor of the Senate.

Senator COCHRAN from Mississippi—I am not trying to ingratiate myself to him—actually is one of the Members in

the Senate who has been most focused on food and nutrition programs. It was Richard Nixon, a Republican President, who said we have to make some changes on this issue, and whether or not we are going to have some kind of safety net. It won't be Heaven on Earth. It won't be perfect. But we will at least make sure that we try to get some help to these families. We are going to make sure this is a Federal program. Do you want to know something, colleagues? This is public policy that has worked because we dramatically reduced, up until recently, the extent of malnutrition and hunger in the country.

What is happening now with this program? The Food and Nutrition Service would go out in the field. They would study the barriers faced by families with limited access to the Food Stamp Program. What are the reasons for the dramatic decline in participation in the Food Stamp Program? On-site review out in the field completed within 180 days a report and sent it to us.

The food stamp rolls have plummeted over the last several years. Since April of 1996, nearly 8.6 million people have dropped off the food stamp rolls and more than 1 million last year alone.

If this was because of a reduction in poverty, I wouldn't worry about it. But that is not what it is.

Of the 36 million people living in food-insecure households—I hate that language. They live in homes where they are either going hungry or they are malnourished. Of 14.5 million Americans, 40 percent are children.

A study by Second Harvest, the Nation's largest domestic hunger relief organization, found that more than one out of every three persons served by food banks are children.

By the way, in almost 40 percent of the households that rely on emergency food assistance, there was at least one adult who was employed.

You have a lot of people in our country who are working poor people. They are eligible for this assistance. It makes a real difference to them and their children. But we have seen this dramatic decline in participation. I think we need to know why.

A report by the U.S. Conference of Mayors shows similar results. It shows there has been a dramatic increase—can you believe it—in the demand for emergency food assistance in major cities across the United States in the last 15 years.

Can I make that clear? We have a booming economy. We are talking about all of this affluence. There are people who spend \$10,000 or \$15,000 on one vacation, and the Conference of Mayors says we are seeing a dramatic demand in the need for emergency food assistance.

Catholic Charities, the Nation's largest private human service, reported providing emergency food services to more than 5.6 million, more than 1 million of whom were children.

When we are talking about food pantries, when we are talking about

Catholic Charities, when we are talking about Second Harvest, when we are talking about all of these relief organizations saying there has been this increase in demand and saying that many of the citizens they help are children, something is wrong. Something is wrong with our priorities. No citizen in America should be hungry today. No child should be hungry.

I don't have the statistics. But I am guessing. It is just intuition. It is what I have seen with my own eyes. There are also significant numbers of elderly people who are malnourished.

The Food Research and Action Center, which I believe has done the very best work in this area, reports that more than 1.2 million people left the food stamp rolls between October 1998 and October 1999. Again, 8.6 million people have left the Food Stamp Program since April of 1996.

Senators, here is the statistic that is jarring. According to the USDA, more than one-third of those who are eligible for the Food Stamp Program are not receiving benefits. We had a dramatic decline of about a 30-percent drop over the last 4 years, and USDA itself comes out and says that one-third of those who are eligible are not receiving any benefits at all.

A report released by the National Campaign for Jobs and Income Supports, another really good organization and good coalition, found that the number of poor people receiving food stamps has declined by 37 percent—more than 10 million people since 1994—although the number of people living in poverty has not declined anywhere close to the same rate.

In 1995, for every 100 poor people in the country, 71 were using food stamps. In 1998, for every 100 poor people, only 54 were using food stamps.

A General Accounting Office report recently released found that "food stamp participation has dropped faster than related economic indicators would predict." An Urban Institute report found that "about two-thirds of the families who left the Food Stamp Program were still eligible for food stamps."

A July 1999 report prepared for the U.S. Department of Agriculture by Mathematica Policy Research, Incorporated, identified lack of client information as a barrier to participation.

In other words, people are not being told that they are eligible. They are not being told that they can help their children by participating in this food nutrition program.

Food stamps can mean the difference between whether or not the child has an adequate diet. Food stamps can make a difference between whether or not a child goes hungry. Food stamps can make a difference as to whether or not little children ages 1, 2 and 3 get adequate nutrition for the development of their brain. Food stamps can make a difference in terms of whether or not a child goes to school with an empty stomach and not able to learn. Food

stamps can make a difference as to whether or not a child can do well in school and, therefore, well in life.

I am speaking with some indignation. I know that we don't have a lot of debate on these issues. But this amendment is relevant to this bill. Food stamps can determine whether or not a child is able to concentrate and able to bond with other children, and whether a child can do well on these standardized tests that we are giving.

We are given all these standardized tests the kids have to pass—if they fail, they are held back as young as age 8—but we have not made sure that children who could benefit from food nutrition programs so they do not go hungry, so they are not malnourished, are able to benefit.

I just can't believe that during a thriving stock market, with record economic performance, with record affluence, with record wealth, with record surpluses, we have seen over the last half a decade a 33-percent or more decline in food stamp participation, and we have today in the United States of America 37 million Americans who are "food insecure," 40 percent of them children.

I told my friend, Senator COCHRAN, I would be relatively brief. I could go on and on. About a year ago, I brought this amendment to the floor. The Senator from Mississippi, who cares about these issues, accepted the amendment. It was knocked out in conference committee. It makes me furious. What in the world is the matter with the Congress that we are not even willing to let the Food and Nutrition Service make a policy evaluation? Why it is, with the most important safety net program for children in America to make sure they are not malnourished and make sure they do not go hungry, we are not even willing to support that?

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. WELLSSTONE. I hope there will be a strong vote for this amendment. I hope and I pray that we can keep this in conference because we should do this evaluation; we should get a report; we should know what is going on. This is important. This is all about whether our citizens, people in the country, are malnourished or not, whether they go hungry or not, whether children have a chance or not, whether we provide the help that elderly people need. We are not doing a good job. Something is wrong.

I think if we get the study done—I don't know why we can't—then we will no longer be in a position of not knowing or not wanting to know and we will take some action.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I appreciate very much the remarks of the

Senator from Minnesota and bringing this issue to the attention of the Senate, frankly. More and more in the last few years, unemployment rates have been coming down. The economy is strong. Everybody knows that.

And I kept asking, why aren't the participation rates in food stamps and other nutrition programs coming down? For a little while, they were going up, too. We had the number of people wanting work, finding work, going up. Incomes were going up. In my State of Mississippi, we saw income levels reaching new highs, but the food stamp participation was still going up.

Pretty soon, though, that began to change and the food stamp participation rates began coming down. I thought this was an indication that people did not need as much nutrition assistance from these Federal programs as they did in the past. We hadn't changed in the last few years any of the eligibility or participation in the program. We did so back in the welfare reform days, and we all remember that process. There was a big push to do away with the Food Stamp Program. Some in the Senate pushed very hard to turn the program over to the States. Others resisted it. As it came out, it was preserved as a Federal program. It would be administered by the States, as in the past. By and large, it continued to exist without too many changes.

The Senator is suggesting that because there continue to be dropoffs, reductions in the participation, something is wrong and we need to find out what it is. If there is something wrong, we need to be aware of it. I agree with the Senator. If the program is being administered in a way that denies those who are eligible under the law for benefits, we need to know about it. We need to try to make sure that those who need assistance and who are eligible for assistance get the assistance to which they are entitled and that there are funds here that will make those program benefits available to every eligible person in our country. That is our goal. That is my goal. That is my attitude. That is my view about this subject.

I support the Senator's effort to have a study, and I will work in conference to see that funds are made available to do that study. I know the Food and Nutrition Service has been working on that issue. He is suggesting, as I understand the amendment, the Economic Research Service use some of the funds available to it to conduct a study, as well.

I am prepared to take the matter to conference and to do as well as we can in conference with the House on this issue and the language the Senator has. I am told by my staff there are some suggested improvements—and I hope the Senator will agree they are improvements in the language of the amendment—that will strengthen the amendment in conference, and, if so, that the Senator will understand and

be supportive of our efforts to see that the study achieves the goals the Senator intends.

One aside: When the Senator made the point about amendments adopted here that are not accepted in conference, and it makes him furious, I was reminded of a story.

Mr. WELLSTONE. Before my colleague goes further, I was referring to this specific topic.

Mr. COCHRAN. I see.

I am reminded of a story my colleague from Mississippi, with whom I served in the body for 10 years before he retired—Senator John Stennis—told about a conference; I have forgotten which committee, but it was appropriations. He was chairman of the full Committee on Appropriations at the time he retired from the Senate.

An amendment had been adopted in the Senate, and it was dropped in conference. The Senator who was managing the conference was explaining the provisions of the bill and what had been agreed to by the House and what had been rejected by the House. The author of an amendment got up and asked: Why wasn't my amendment accepted by the House? The manager said: We discussed it fully, and there was a lot of discussion, but it was not accepted by the House. He said: I want to know why; what did they say? The manager said: They didn't say.

It is an indication that sometimes the House rejects an amendment. They don't feel obliged to tell you why they rejected it. They just say: We are not going to accept it. I have seen that happen. I have seen the chairman of the full committee on the Senate Appropriations Committee have to personally go to a conference and almost beg the conferees on the part of the House to accommodate an interest in his State that he thought deserved the support of the conference.

It was almost a humiliating experience. I will never forget it. But it was an illustration of the fact that the other body takes their prerogatives very seriously, particularly on appropriations. I am reminded every year how difficult it is to get our way in conference in negotiations with the House. It is a tough challenge. Ultimately it gets the work out, but in the process there are Senate provisions that are dropped in conference, that are not agreed to by the House, in spite of the very best efforts that are made by the Senate to have their way in those negotiations.

All I can say in respect to the Senator's insistence that this amendment be kept in conference is, we will do our best.

Mr. KENNEDY. Mr. President, I strongly support Senator WELLSTONE's amendment. We need to do all we can to understand why food stamp participation has declined so sharply. We know that poverty among working families is growing, not declining, even in this time of prosperity, and we need to find better answers to this problem.

The Conference Board is a global business membership organization that has enabled senior executives to exchange ideas on business policy and practices for nearly a century. The most recent Conference Board study is entitled "Does a Rising Tide Lift All Boats? America's Full-Time Working Poor Reap Limited Gains in the New Economy." The conclusions of this probusiness group are surprising. The Conference Board found that the number of full-time workers classified as poor increased between 1997 and 1998, the last year for which data is available. And despite the strongest economic growth in three decades, the poverty rate among full-time workers is higher now than it was during the last recession.

The Congressional General Accounting Office also studied this issue of declining food stamp participation, and it found that food stamp participation is declining much more rapidly than poverty.

The obvious result is that millions more Americans, including children and working families, are going without adequate nutrition today than before the welfare reform law was enacted.

In Massachusetts, Project Bread operates a statewide hunger hotline, where operators respond to 2,300 requests for referrals each month. Last month, a mother from Worcester called. She had just been released from the hospital after the birth of her fifth baby. Doctors had ordered her to stop working 3 months ago, due to complications with her pregnancy. Her husband drives a bus, and their single salary was barely enough for the family to get by. When she called the hotline, there was no money and no food in the house, and hotline workers characterized her situation as desperate.

In many other communities, the nation's mayors have been distressed by the sudden sharp increases in requests for emergency food from working families. Too many of those in need are being turned away, because the resources are so inadequate. We clearly need a better understanding of why this alarming level of hunger persists in our record-breaking economy.

We need this additional information as soon as possible. We must accurately determine why food stamp participation has declined. I look forward to working with my colleagues to deal more effectively with this tragic problem of hunger.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3919, AS MODIFIED

Mr. WELLSTONE. Mr. President, first of all, I ask unanimous consent I may send a technical correction to the desk. A sentence was written on the wrong line. I ask unanimous consent I modify the amendment. This is technical.

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

The amendment, as modified, is as follows:

On page 9, line 7, strike "\$1,000,000" and insert "\$1,500,000".

On line 10 after "tions" insert: "Provided further, That not more than \$500,000 of the amount transferred under the preceding proviso shall be available to conduct, not later than 180 days after the date of enactment of this Act, a study, based on all available administrative data and onsite inspections conducted by the Secretary of Agriculture of local food stamp offices in each State, of (1) any problems that households with eligible children have experienced in obtaining food stamps, and (2) reasons for the decline in participation in the food stamp program, and to report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate".

Mr. WELLSTONE. Mr. President, I say to my colleague from Mississippi that I accept what he said in very good faith about the conference committee, and if he can, in his wisdom and experience, strengthen this amendment, I am all for that. When he tells me he will do everything he can to advocate for this amendment, I accept his word. There is no question about it.

The second point I wish to make is just to clarify, or make the RECORD clear, that my indignation is not so much that "my" amendment was taken out in conference committee. I don't really care about it being my amendment. What bothers me, what troubles me, I say to Senator COCHRAN, is that—and I cited about seven or eight different studies, good studies done by good people—we do have before us a very important challenge.

We have seen this dramatic decline. We know how important this program can be. We are getting reports that there are a lot of families eligible who are not participating. We are getting the reports from all the religious communities that the use of the food shelves are going up. We are getting reports from teachers in schools telling us kids are coming to school malnourished.

So I am saying I find it a little hard to understand how in conference last year certain folks, whoever they were, just took this out. They were not interested in knowing. I think we ought to care about this. I insist we do. I know the Senator from Mississippi does.

I think we will get a strong vote in the Senate and that will be good. The Senate will be strongly on record and I hope we can carry this in conference. I thank the Senator for his support. I yield the floor.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 3919, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll. Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) and the Senator from Washington (Mrs. MURRAY) are necessarily absent.

The result was announced—yeas 90, nays 6, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—90

| | | |
|------------|------------|-------------|
| Abraham | Edwards | Lieberman |
| Akaka | Enzi | Lincoln |
| Allard | Feingold | Lott |
| Ashcroft | Feinstein | Lugar |
| Baucus | Fitzgerald | Mack |
| Bayh | Frist | McCain |
| Bennett | Gorton | McConnell |
| Biden | Graham | Mikulski |
| Bingaman | Gramm | Moynihan |
| Bond | Grams | Murkowski |
| Boxer | Grassley | Nickles |
| Breaux | Gregg | Reed |
| Brownback | Hagel | Reid |
| Bryan | Harkin | Robb |
| Burns | Hatch | Roberts |
| Byrd | Hollings | Rockefeller |
| Campbell | Hutchinson | Roth |
| Chafee, L. | Hutchison | Santorum |
| Cleland | Inhofe | Sarbanes |
| Cochran | Inouye | Schumer |
| Collins | Jeffords | Shelby |
| Conrad | Johnson | Smith (OR) |
| Craig | Kennedy | Snowe |
| Crapo | Kerry | Specter |
| Daschle | Kohl | Stevens |
| DeWine | Kyl | Thurmond |
| Dodd | Landrieu | Torricelli |
| Domenici | Lautenberg | Warner |
| Dorgan | Leahy | Wellstone |
| Durbin | Levin | Wyden |

NAYS—6

| | | |
|----------|------------|-----------|
| Helms | Smith (NH) | Thompson |
| Sessions | Thomas | Voinovich |

NOT VOTING—3

| | | |
|---------|-------|--------|
| Bunning | Kerry | Murray |
|---------|-------|--------|

The amendment (No. 3919), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, parliamentary inquiry: Is the status of the RECORD appropriate for the calling of another amendment?

The PRESIDING OFFICER. It is appropriate.

AMENDMENT NO. 3958

Mr. SPECTER. Mr. President, I call up amendment No. 3958 on behalf of Senator KOHL, Senator SANTORUM, Senator MOYNIHAN, Senator KERRY of Massachusetts, Senator BIDEN, Senator HUTCHISON of Texas, Senator LAUTENBERG, Senator SCHUMER, Senator WARNER, and myself.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows.

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mr. KOHL, Mr. MOYNIHAN, Mr. SANTORUM, Mr. KERRY, Mr. BIDEN, Mrs. HUTCHISON, Mr. LAUTENBERG, Mr. SCHUMER, and Mr. WARNER, proposes an amendment numbered 3958.

Mr. SPECTER. 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:

(Purpose: To correct an unintended termination of the authority of Amtrak to lease motor vehicles from the General Services Administration that results from previously enacted legislation)

At the end of chapter 6 of title II of division B, add the following:

SEC. 2607. Amtrak is authorized to obtain services from the Administrator of General Services, and the Administrator is authorized to provide services to Amtrak, under sections 201(b) and 211(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b) and 491(b)) for fiscal year 2001 and each fiscal year thereafter until the fiscal year that Amtrak operates without Federal operating grant funds appropriated for its benefit, as required by sections 24101(d) and 24104(a) of title 49, United States Code.

Mr. SPECTER. Mr. President, this amendment would restore Amtrak's eligibility to continue leasing vehicles from the General Services Administration's Interagency Fleet Management System.

The Amtrak Reform and Accountability Act of 1997 inadvertently removed this eligibility. By way of further explanation, in the Amtrak Reform and Accountability Act of 1997, Amtrak was removed from the list of "mixed ownership and government corporations."

An inadvertent and unintended consequence of this change was brought to Amtrak's attention earlier this spring. The Federal Railroad Administration questioned Amtrak's eligibility to continue leasing automobiles from the General Services Administration's Interagency Fleet Management System. The Federal Railroad Administration and General Services Administration agreed that Amtrak was no longer eligible.

As a result of this inadvertent change, there is a fleet of some 1,650 vehicles for which Amtrak currently pays \$10 million to lease through the General Services Administration. If Amtrak is forced to lease its vehicles privately, it will cost a total of \$25 million annually.

The Amtrak Reform and Accountability Act was intended to allow Amtrak to transition to operating self-sufficiency.

This legislation was not intended to put new financial burdens on the corporation, which is in a transition to operating self-sufficiency. This problem was called to my attention yesterday by Governor Tommy Thompson, who is Chairman of the Amtrak Board of Directors. The operation for Amtrak has been in high gear to operate like a business in its goal to achieve operational self-sufficiency by fiscal year 2003. The strategy that Governor Thompson and others have articulated, as provided to me, involves, one, developing high-speed rail corridors; two, building a market-based rail network; three, forging partnerships with State and local authorities and large commercial clients; and four, offering a new service guarantee, which is unparalleled in the transportation industry.

These strategies are already producing very considerable results. Amtrak's annual revenues reached a record of \$1.84 billion in fiscal year 1999. Just over 21 million passengers traveled on Amtrak last year, for a third consecutive year of ridership growth. Overall ridership in the last 5 months is up 8 percent over the same period of last year. Ridership on the high-speed regional service corridor is up nearly 40 percent over the trains that were replaced.

Further information provided to me is that the development of more commercial partnerships has boosted mail and express revenue by 35 percent in this calendar year. Amtrak's net worth growth strategy, introduced in February, will expand passenger rail service to 21 States, based on a comprehensive economic analysis of the national rail system and potential market opportunities. The national growth strategy is expected to add as much as \$229 million of revenue by the year 2003. New partnerships have been forged with Motorola, Dobbs, and Hertz Corporation, among others. Amtrak's new web site for ticketing has been named one of the 100 most popular bookmark sites on the Internet. For fiscal year 2000, sales are up 113 percent over the same period last year.

Since Amtrak's announcement of its service guarantee, it has recorded a satisfactory rate of 99.97 percent. These results point to the successful turn-about Amtrak is making in its efforts to achieve operational self-sufficiency. A goal has been set for Amtrak, and Amtrak is taking the proper steps to achieve that self-sufficiency. My suggestion to the Senate is that we not undermine the corporation by forcing it to swallow some \$15 million in unintended costs, while losing its GSA eligibility for the remainder of the glide-path.

The General Services Administration, Federal Railroad Administration, and Amtrak agreed that the legislation referred to contained an unintended consequence and should be rectified. Amtrak must return all 1,650 vehicles by October 1 of this year, under the existing law. This provision puts an undue and unwarranted burden upon the General Services Administration, which does not want many of these specialized vehicles back in their inventory because they have nobody else who would lease them, so it would be a loss to GSA, as well.

This amendment would restore Amtrak's eligibility to continue leasing vehicles from the General Services Administration's Interagency Management Fleet. I am advised by staff, who have consulted with the staff of the General Services Administration, that both GSA and the Federal Railroad Administration, as well as Amtrak, support this amendment.

Mr. President, it would be preferable, candidly, not to put this amendment on the Agriculture appropriations bill. I have consulted with the Parliamen-

tarian, and there is a defense of germaneness, which is an answer to a challenge on grounds that this is legislation on an appropriations bill. The provisions of H.R. 4461 that we are currently considering, on page 5, line 9, provides the following under "Payments, Including Transfers of Funds":

For payment of space rental and related costs pursuant to Public law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of the General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, improvement, and repair of Agriculture buildings, \$150,343,000, to remain available until expended.

As I say, I am advised by the Parliamentarian that this language is sufficient to establish germaneness, and germaneness is a defense for challenging this amendment as legislation on an appropriations bill.

There is an obvious concern raised here about whether Amtrak should be able to have the benefit of this leasing arrangement because Amtrak is supposed to be self-sufficient, some might say. The reality is that Amtrak is under a transition period to attain self-sufficiency. We are looking at an additional 2-year window here. I suggest that the savings of \$15 million to Amtrak really would not be at the expense of the Federal Government. These are savings which, if the leasing were not possible, and the GSA has nobody to lease it to, is actually a net gain for the Federal Government. While Amtrak would have to pay \$25 million annually instead of \$10 million to GSA, if GSA doesn't have anybody to lease these vehicles to, which is what has been represented to me, it ends up that the Federal Government loses \$10 million, which it would get from these leases. So it is a win-win situation for the Federal Government to have the \$10 million in lease payments, and it saves Amtrak some \$15 million.

What we really need to do is, obviously, put Amtrak back on its feet. In the course of just a few minutes today, I was able to find 10 cosponsors of this legislation. If we had more time to survey the Senate, I think we would find many more Senators. I don't think this is necessary as a disclosure of interest, but I have an interest in Amtrak, besides being a Senator, in wanting Amtrak to succeed. I ride Amtrak every day. It is really an enviable position to be in, whereas some of my colleagues have to fight airplane schedules. Some of us can ride the metroliner, which leaves on the hour. I can tell you that the metroliner is good service, and the other service is excellent as well. Those trains are filled and they are money-makers. The new Acela train is about to be established, which will get from Washington to Philadelphia even faster.

Amtrak has come out with a new guarantee and it is moving ahead. There is no reason, it seems to me, to let this technicality stand, which

would cost Amtrak \$15 million and probably cost GSA \$10 million if, as expected, it is unable to lease out all of these vehicles, which would be returned on October 1 of this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I rise in objection to the amendment. Bismarck said there are two things you never want to see made, and that is laws and sausages. This really is another one of these wonderful sausages.

If a government student from a college or high school or university from around the country came here and was sitting in the galleries observing this, and someone told them we are now addressing the agricultural appropriations bill, one would then assume that it has to do with agriculture and farmers, the agricultural section of this country, and that it would probably have some very worthy aspects of it.

Then this student observes the Senator from Pennsylvania stand up and say: We are going to get the GSA to lease automobiles for Amtrak. Excuse me? That is a railroad.

For the benefit of those students who observe these things, I would like to tell you how we got here.

Amtrak first came to my committee—which happens to be, although it is routinely ignored lately, the authorizing committee particularly as we go through the appropriations process. They came to the Commerce, Science, and Transportation Committee and said: We would like to have this done—although interestingly stated by the Senator from Pennsylvania—because basically they do not want to have to pay to lease automobiles to have their operations go forward. They wanted us to put it in as part of the National Transportation Safety Board reauthorization.

After examining their proposal, and knowing that the whole object of the reform of Amtrak was to make them independent of the Federal Government, and now they want to take advantage of a situation that only governmental organizations can take care of—that is, General Services Administration leasing—we said no.

They have some pretty highly paid lobbyists around town. They are pretty influential. They went to the government oversight committee, to Senator THOMPSON, and to his staff. They tried to float it by them because Senator THOMPSON's Committee on Governmental Affairs has oversight of the General Services Administration.

Senator THOMPSON, his staff, and his committee rejected it out of hand—again because a nongovernment organization should not have access to the facilities and capabilities that a governmental organization does. That was rejected.

The Amtrak lobbyists were flailing around town. Senator THOMPSON honored me with a phone call. He said: How do you explain the fact that the

whole effort of the Amtrak Reform Accountability Act, Public Law 104-34, was intended to make Amtrak independent of the Federal Government—which, by the way, is not too important, to revisit history.

In 1971, Amtrak was formed for only 2 years, I say to my colleagues, and then to be completely independent. Of course, after being at the Government trough since 1971, we finally decided that they had just about enough when we enacted the Amtrak Reform Accountability Act.

They finally found a willing servant and messenger in the Senator from Pennsylvania, and I congratulate him. So here we are with an amendment on the Agriculture appropriations bill that has to do with Amtrak, which, as the Senator from Pennsylvania alluded to, he rides regularly. I am sure he is an avid supporter of it. But this is \$15 million. Actually, they came to us the first time and said it was a \$4 million deal. It has increased somehow magically in the last 6 weeks or so to \$15 million. I guess that dramatized the gravity of their situation.

I say to my government student who is observing this, I can tell you that the way we ended up with this particular sausage is that the Amtrak lobbyists with all of their influence could not get what they wanted through the committee of oversight. They couldn't get what we wanted through another committee of oversight; staff and those who had jurisdiction rejected this idiotic proposal out of hand. So now we have an amendment on the Agriculture appropriations bill.

The supporters of this amendment allege its purpose is to correct an unintended—in the words of the Senator from Pennsylvania, unintended and unintentional—consequence of legislation enacted in 1997, the Amtrak Reform Accountability Act. Not so. Not so. The whole purpose of the Amtrak Reform and Accountability Act of 1997, of which I was a part, was to divorce Amtrak from the Federal Government and the largess and the perks and other good deals that can be had being a part of the Federal Government.

Have no doubt, my friends, coming from a Senator who was intimately involved in the act, there was no unintended consequence. There was no inadvertency associated with it. This is simply an attempt on the part of Amtrak to save themselves \$4 million, or \$15 million, whatever it is.

One of the main purposes of the act is to direct Amtrak to run more as a real for-profit business. There are other organizations, such as Fannie Mae, that are in exactly the same status as Amtrak. Fannie Mae doesn't get GSA leasing of their cars. Freddie Mac doesn't get GSA leasing of their cars. But we are going to do it for Amtrak.

I guarantee you, my friends, we are going to have a hearing in September, I say to my colleagues, on this great reform, and all of this success which the Senator from Pennsylvania just

trumpeted, you are going to find out it is not true. As far as I know, Amtrak is going to be feeding from the public trough for as long as any Member of this body is alive.

We just had a Member of the advisory committee resign in disgust and anger over what has transpired since this act was passed in 1997.

I don't expect to win. I don't expect to win this amendment. But I am going to make the American people aware of this bizarre situation where we have a railroad formed in 1971, and the commitment at that time was that railroad would be Government supported for 2 years. Count them: One, two. Since 1971, in the intervening 29 years, the billions and billions and billions of taxpayer dollars that have been expended on Amtrak stagger the imagination. Someday, somebody will write a very interesting treatise. In fact, several have already been written.

In regard to the arguments of "unintended consequences," let me assure my colleagues we have experienced a slew of unintended consequences since the reform law was enacted—a slew of unintended consequences. Let me mention a couple.

When we all agreed to remove the former board of directors so Amtrak would have a clean slate with new leadership and fresh ideas, we never thought the board members serving at the time of enactment would then be appointed to the new reform board. But that is what happened.

When we called for the creation of an 11-member Amtrak reform council and were specific about membership criteria and eligibility, we never expected the one representative of the rail industry to be a sitting mayor not affiliated with the industry at all. But that is what occurred, my friends—laws and sausages.

When we authorized substantial capital and operating funds for the duration of the 5-year bill, we never expected the administration to request only about half of the authorized funding. But that is what occurred, despite the nonstop rhetoric about the administration's support for Amtrak.

When we were all convinced that Amtrak would utilize the \$2.2 billion "tax refund"—one of the more interesting sausages that were fashioned here in the Senate; there was a \$2.2 billion tax refund on taxes that was never paid, one of the more interesting ones I have seen here—we were all convinced that Amtrak would utilize the \$2.2 billion "tax refund" released by enactment of the reform legislation for high return capital investments—the commitment of the \$2.2 billion for high return capital investments. We didn't expect Amtrak to use that money to pay for gym membership, movie tickets, and for some of its labor force. But that is what occurred.

I can understand Amtrak's desire to undo parts of the 1997 law it no longer likes. I am certain a number of Members would like to change certain

things about the law here and there, particularly as we are getting closer to the operational self-sufficiency deadline in 2 years.

By the way, there is no outside expert who believes we will reach that operational self-sufficiency deadline, which we will carefully examine as the committee of oversight, as the committee that is responsible for the authorizing—not the Agriculture Appropriations Subcommittee. We will examine it. But I believe an agreement is an agreement. And this bill was adopted unanimously.

I think Amtrak should be relieved we are not instead requiring it to repay the Treasury for the money it saved by participating illegally in the program for nearly 3 years. Amtrak has been participating in this program, as judged by outside observers, illegally. It should have been halted.

It is true not all Members share the same perspective concerning the obligation imposed upon the American taxpayers to fund Amtrak for its 29 years of subsidization, even though Amtrak was to have been free of all Federal assistance 2 years after it was established in 1971. However, we did work together and support enactment of reform legislation with the intent to give Amtrak the tools it said it needed to become operationally self-sufficient.

I have not acted to alter the agreement reached as part of the reform legislation, and I find it a breach of that agreement that Amtrak and others are routinely seeking changes through the appropriations process to allow it to do things not approved by the authorizing committee of jurisdiction. Be assured, I say to my colleagues now, we have a little dust up here. But when Amtrak tries to obtain a \$10 billion funding scheme, there is going to be a big fight about that one, my friends. I know it is coming. It hasn't fulfilled the first and quite substantial statutory obligation to operate free of taxpayer expense.

Amtrak asked for legislation that allowed it to operate more as a private business, and we enacted such legislation. As other former Government-controlled agencies have moved toward privatization, they didn't enjoy the freedom to pick and choose what governmental support programs they could use to their advantage. When Congress set up other corporations such as Freddie Mac, COMSAT, and Fannie Mae, they did not and do not participate in GSA leasing. The fact is, nongovernmental entities do not participate in the GSA vehicle leasing program. Amtrak can't have it both ways, although they probably will.

Finally, I find it very strange that since this issue was brought to my attention in March, Amtrak has said the GSA leasing eligibility saves \$4 million annually—probably a lot of money to a company that lost more than \$900 million last year; \$900 million was all they lost last year. Yet now that an amendment is being offered on the floor, Amtrak has raised the bar and this week

Amtrak is telling me the provision would save some \$15 million annually. Which of Amtrak's numbers should we believe? At a minimum, the authorizing committee should have an opportunity to explore this new figure before we are asked to adopt any changes in existing law.

As I said, we will be having a hearing on Amtrak, as is our responsibility as the authorizing committee, in early September to carefully explore this and many other critical issues. Until this issue has been looked at by the committee of jurisdiction, I urge my colleagues to defeat the amendment.

We find ourselves, a week before leaving, with an amendment that was first sought to be addressed by the committee of authorization, the Committee on Commerce, Science, and Transportation. We refused to do so because it was clearly not in keeping with the law. Then they went to another committee of authorization. They wouldn't do it. So now what does the Senator from Pennsylvania do? Something to do with Amtrak, a train, is on the Agriculture appropriations bill.

Another example of laws and sawsages. To all those students of government who may be watching and observing this bizarre process, my friends, it is an argument for reform of the way we do business in this body. The authorizing committees are becoming more and more irrelevant as each legislative day goes by. I am close to the point where we either do away with the Appropriations Committee or we do away with the authorizing committees. To come on this floor and have a clear legislative change, even though it may not meet the exact parameters of germaneness in rule XVI, and make a clear elective change on a bill that has nothing to do, first of all as an appropriations bill, and second of all has no relation to Amtrak, I find offensive.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to support the Specter amendment. I hope it will prevail for reasons that I don't think have been discussed thus far.

One thing that we are not talking about is whether or not, since legislation was passed some time ago that might be more restrictive to Amtrak, the conditions have changed. One need not be a transportation engineer to know you can't get off the ground at airports. I waited the other day 5 hours for a flight to go to New Jersey from here. We were on the ground 5 hours.

There are almost no airports of any size that aren't constantly late. There aren't places that one can travel by car or by bus that you can get where you want to be in a reliable period of time. We saw the front page news on the Washington Post 2 days ago about the disappearance of mountaintops, surrounded by smog, because the country is being overwhelmed by transpor-

tation and environmental problems. Conditions have changed.

When we want to make comparisons between Amtrak and private businesses, we have to recognize there is no place in this world, no place, where there isn't a subsidy provided for rail service so people can travel from place to place—such as the subsidy we offer when we build airports and we provide and charge the passengers a tax to ride in an airplane. We have a passenger facility charge. Or that if one wants to buy gas at a gas station, we have a Federal tax; we have State taxes. Amtrak doesn't have that ability. Amtrak is the poor stepchild. It offers a service to lots and lots of people who can't find any alternative that is satisfactory or available to them.

I don't like spending money. I happen to come from a strong business background. I know the difference between business and government. Amtrak is not a business like other businesses. It requires help. What we said in the commitment that was made for Amtrak was that we would not require that they meet operating needs out of the fare box. That is what we said would happen. Capital costs—and those are the things we are talking about—are part of the operating budget. We are forced at times to use operating funds for capital costs. The thing is all backwards. We are similar to a Third World country in a process that has us asking passenger railroads to do things that no other country does.

Germany has advanced their transportation systems, investing \$10 billion a year in developing rapid rail transportation. In France, you can travel from Brussels to Paris in an hour and 25 minutes; the distance is 200 miles. That is what we ought to be talking about.

Take the pressure out of the skies. There is no more room for airplanes in the skies. There is no latitude. We can build more airplanes but you still won't be able to fly the planes. We have broken the rules. We expanded the number of slots at Reagan National because of requests from some of the people here, Senators who wanted to have particular access. Break the rules. Give us access. What do we care about the rules, about the number of flights that can come in and go, from whatever distances. Break the rules.

We are not talking about breaking the rules. We are talking about extending an opportunity for many in the American public to be able to travel and get to their destinations on time with a degree of comfort that permits them to arrive at their destination and be able to conduct their business or see their families or get to school or whatever else they have to do.

It is a fairly simple equation. I hope we will support the Specter amendment.

I think what it does do is it says to people who need passageway, who need an opportunity to get from place to place that is not otherwise ordinarily

available, and that is to permit these leases to be supported by GSA. To save Amtrak? No, not to save Amtrak; to save the passengers, to save the rail riders \$15 million a year. That is what we are talking about saving.

Amtrak is not the issue. The issue is whether or not we can transport the people who inhabit this country in a way that is reasonable without continuing to foul the air or delay them interminably.

I hope we can conclude this vote and get the issue resolved. I do not like disagreeing with the chairman of the Commerce Committee. They have jurisdiction. But in this case I happen to think the perspective is wrong; that there is not recognition of what our country's needs are. They have changed so radically in the past few years. Look at airline passenger traffic. See how much more the highways are used now than only a few short years ago. The situation has changed. Are we going to continue to take an attitude that it doesn't matter what we are doing to the environment; it doesn't matter how late the airplanes are; it doesn't matter how costly rides are; regardless of that, we are not going to permit it to happen?

I hope we will extend this extra opportunity for Amtrak and for its passengers to continue to operate and get us to the point, when we get high-speed rail in there, we can meet our operating costs and we can provide the kinds of service one would expect in a country such as ours.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in strong support of the amendment which I am cosponsoring with my colleague from Pennsylvania. As you know, this amendment will allow Amtrak to continue leasing vehicles from GSA through 2003. We are all eager to see Amtrak continue progressing toward self-sufficiency. Without this amendment, we will be jeopardizing their ability to achieve that goal.

In my own State, half a million people from Wisconsin ride Amtrak every year. It is very important not only to Wisconsin but to every State that Amtrak continue its progress toward viability. We must continue to allow Amtrak to transition to self-sufficiency by 2003.

This amendment is very crucial to that effort. I urge my colleagues to support the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I welcome an opportunity to present these issues to students. Anyone in the balcony observing this debate, students, and as the Senator from Arizona alludes to students, perhaps a more elite audience, wanting to know the theory, the philosophy, the approach, the ethics of the proposition, I welcome addressing students on this subject as I

spend a good bit of my time addressing high schools, colleges, junior high schools, and even grade schools taking the message to the students about what government ought to be doing.

It is a fairly common reference—too humorous anymore—to analogize making sausage to the making of legislation. But the making of legislation is a very complicated matter. It has to take into account the accommodation of 260 million Americans and many contrary issues and many contrary differences.

When the argument is raised about this is a matter turned down by the authorizing committee, the Commerce Committee, and turned down by the Governmental Affairs Committee—they are not the last word. The chairman of the Commerce Committee does not have the last word. He may have it as the Commerce Committee is organized, directed, and run. And the chairman of the Governmental Affairs Committee may have the last word as to how that committee is run. But the Senate has the last word.

There are 100 of us and each Senator has rights under the rules of the Senate. When this Senator offers an amendment, this Senator is offering an amendment within his rights. Even if the full Commerce Committee backs the chairman, or even if the full Governmental Affairs Committee backs the chairman, those committees are not the last word. The last word is the Senate, the 100 Members who constitute the Senate.

In offering this amendment, this Senator is functioning within the rules. When the Senator from Arizona says that this amendment has nothing to do with agriculture and he finds the amendment offensive, I take a little offense at that. I set forth the germaneness, which entitles this amendment to be offered on this bill.

It is not an unusual occurrence in the Senate to offer legislation on an appropriations bill. That rule has been breached so often that it is hardly referenced anymore. We are trying to come back to a standard of not legislating on an appropriations bill, but the rules of the Senate govern that, and I cited the provisions of the bill we are considering from the House of Representatives which makes this germane.

That is the advice I received from the Parliamentarian. That is not my own peculiar, personal opinion. If someone wants to challenge the amendment, there are ways to do so if someone says this violates the rules. But I do not think it does, and the Parliamentarian does not think it does.

When there are references to illegal activities by Amtrak, if there are illegal activities, let's refer it to the Department of Justice. Some might say a reference to the Department of Justice doesn't do much good in the United States of America today, and I would not want to argue that point too vociferously, but let's give them a chance.

Has it been referred to the Department of Justice?

I attended a hearing of the Appropriations Subcommittee on Transportation where Governor Thompson appeared last year. But we met yesterday on another matter. He called this issue to my attention.

This is not exactly my purview, to take up this issue. It doesn't come within any of my committee responsibilities. But no high-priced lobbyist came to me to talk about this issue, a high-priced lobbyist who might be fundraising for me. Nobody came to talk to me about it. In fact, not even a low-priced lobbyist came to me to talk about it. But Governor Thompson, a very distinguished American and very distinguished public servant, did. I told him I was concerned about it. Before the afternoon, I had a flood of telephone calls from Amtrak, asking me to look into it, to check it out.

This morning I called Senator KOHL who had been working on the matter. Then I started to canvas a few Senators and got 10 cosponsors very promptly. Senator JEFFORDS—I ask unanimous consent he be added as a cosponsor.

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

Mr. SPECTER. There is a reference here to "idiotic." I take more than umbrage at that, and would cite rule XIX which says:

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

I can't represent whether I was called an idiot, or whether I was said to have offered an idiotic amendment. But either way, offering an idiotic amendment is not becoming conduct for a Senator. And I consulted with the Parliamentarian. The rule is that a Senator may challenge another Senator who violates rule XIX by standing and saying: I call the Senator to order.

I choose not to do that. I don't want to make a Federal case of it. But, also, I choose not to ignore it, and I think it is unbecoming conduct for a Senator to offer an idiotic amendment. But I don't think this amendment is idiotic. But I will let the body decide that on a vote, either on a challenge on procedural grounds or on a vote on the merits.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, if there has been any offense taken by the Senator from Pennsylvania, it was not intended, and I would hope he would accept my apologies if he took offense. I think this amendment is wrong.

It is inappropriate, and it is dead wrong, and the facts, as I stated as to how this amendment got on an Agriculture appropriations bill, are accurate. It first went to the Commerce Committee where they tried to get us to do it, and we would not because we do not believe it is in keeping with the law.

Then they went to the Governmental Affairs Committee and now it has ended up being put as an amendment on the Agriculture appropriations bill. That is wrong. I did not challenge the parliamentary right of the Senator from Pennsylvania to do so. We had the same parliamentary reading that the Senator from Pennsylvania did.

I think this amendment is a violation of the agreement that was made in 1997 in the form of the Amtrak Reform and Accountability Act, P.L. 105-134.

Again, if the Senator from Pennsylvania took offense at something I said personally, then he has my apologies. That does not change the fact that this amendment is the wrong thing to do. I strongly oppose it, and I believe if we continue, as I said in the conclusion of my remarks previously, if we continue to authorize and legislate on appropriations bills, this practice will continue the breakdown of the procedures that are intended and established by the Senate.

I stand by those words, and I again say, even though it may not be in violation of the strict parliamentary rules, it is wrong to put an amendment concerning Amtrak on Agriculture appropriations bills. I believe I have that right to believe that is an inappropriate way, and the Commerce Committee or the Governmental Affairs Committee should have reviewed this and did review it and should be allowed the jurisdiction.

Nor did I at any time tell the Senator, or in my remarks to the body, that every Senator does not have their right to a proposed amendment on whatever issue they wish. That is why we have a Parliamentarian. Never at any time—certainly not this Senator—would I say that an individual Senator should be deprived of his or her rights since I exercise those with some frequency.

I hope that clarifies the intent of my remarks which are that this amendment is not in keeping with the Amtrak Reform and Accountability Act, and I do not believe—and as a Senator I have the right to the view—that it is not appropriate to be placed on an Agriculture appropriations bill.

I yield the floor.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Colorado.

Mr. ALLARD. Mr. President, I also rise in opposition to this amendment and join my colleague from Arizona in his opposition. We just held a number of hearings in the Housing and Transportation Subcommittee of the Banking Committee. I chair this subcommittee. We found that we even have the Federal Transit Administration subsidizing Amtrak. Clearly, in my mind, when I look at the 1997 accountability act, Congress intended to move Amtrak to self-sufficiency.

Amtrak claims to be a private corporation, and, plainly and simply, private corporations are not eligible to lease Government vehicles.

I have grown increasingly skeptical about what is going on with Amtrak. It

seems they found a way of picking up Government subsidies all over the place.

Several years ago, the FTA required—I want to get back to some other issues that may either be directly or indirectly related to this amendment, but several years ago, The Federal Transit Authority required the Massachusetts Bay Transportation Authority to bid out contracts for their commuter rail services. Four companies bid. Amtrak had the highest cost bid and lowest quality.

This will cost taxpayers \$75 million above the low bid. This is a \$75 million, 3-year subsidy on top of the nearly \$600 million annual subsidy Congress grants Amtrak. Now they want the subsidy of leasing Government vehicles. I ask my colleagues: When are we really going to require Amtrak to be self-sufficient?

For that reason, I oppose this amendment with my colleague from Arizona and urge a “no” vote.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, by way of brief response to the argument by the Senator from Colorado, I agree with him that Amtrak needs to be self-sufficient, and that is the purpose of the legislation. The question is, How fast is that going to occur? They are looking for self-sufficiency under the existing legislation by the year 2003. What they are asking for here is an extension from October 1, 2000, to October 1, 2002. I went into some detail on the information provided by Governor Thompson, who is chairman of the Board of Amtrak, as to the progress which they are making.

When the Senator from Arizona says there is no mistake here, he may be right about that. Maybe this is not an unintended consequence, but where you have a provision which reaches the extent of leasing under these circumstances, I doubt that anybody thought about that when the legislation was drafted. Maybe it is not an unintended consequence, but I doubt very much that it is an intended consequence. It is something that happened that nobody had thought about. Perhaps if nobody had thought about it, it is genuinely an unintended consequence.

Considering the issues we face in this body, when you are talking about \$15 million, although not substantial, we seldom take a protracted period of time as we wrestle with the budget of \$1.850 trillion. I have not calculated the percent, but it is a mighty tiny fraction. This is symbolic as to what we are trying to do to get Amtrak on its feet.

When the Senator from Arizona says it is wrong to put this amendment on this bill, I have to categorically disagree with that as a matter of fact because if the rules allow this amendment to go on this bill, it is not wrong to put this amendment on this bill. It may be an unwise amendment, it may be against public policy, but it is not a

wrongful act to put this amendment on this bill when the advice that the Senator from Arizona got was the same as the advice this Senator got: that as a matter of parliamentary procedure, it is an appropriate matter.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3958. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY), and the Senator from Washington (Mrs. MURRAY), are necessarily absent.

The result was announced—yeas 72, nays 24, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—72

| | | |
|------------|------------|-------------|
| Abraham | Edwards | Lugar |
| Akaka | Feingold | McConnell |
| Baucus | Feinstein | Mikulski |
| Bayh | Graham | Moynihan |
| Bennett | Grassley | Murkowski |
| Biden | Harkin | Nickles |
| Bingaman | Hatch | Reed |
| Boxer | Helms | Reid |
| Breaux | Hollings | Robb |
| Bryan | Hutchinson | Roberts |
| Burns | Hutchison | Rockefeller |
| Byrd | Inouye | Roth |
| Chafee, L. | Jeffords | Santorum |
| Cleland | Johnson | Sarbanes |
| Cochran | Kennedy | Schumer |
| Collins | Kerrey | Snowe |
| Conrad | Kohl | Specter |
| Crapo | Landrieu | Stevens |
| Daschle | Lautenberg | Thompson |
| DeWine | Leahy | Thurmond |
| Dodd | Levin | Torricelli |
| Domenici | Lieberman | Voinovich |
| Dorgan | Lincoln | Warner |
| Durbin | Lott | Wellstone |

NAYS—24

| | | |
|------------|--------|------------|
| Allard | Frist | Mack |
| Ashcroft | Gorton | McCain |
| Bond | Gramm | Sessions |
| Brownback | Grams | Shelby |
| Campbell | Gregg | Smith (NH) |
| Craig | Hagel | Smith (OR) |
| Enzi | Inhofe | Thomas |
| Fitzgerald | Kyl | Wyden |

NOT VOTING—3

| | | |
|---------|-------|--------|
| Bunning | Kerry | Murray |
|---------|-------|--------|

The amendment (No. 3958) was agreed to.

Mr. SPECTER. 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.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, the amendment I will be sending to the desk is on behalf of myself and Senators CONRAD, WELLSTONE, GRAMS of Minnesota, TORRICELLI, SCHUMER, LEVIN, LEAHY, KENNEDY, REED, SARBANES, DODD, LIEBERMAN, MIKULSKI, HOLLINGS, BAUCUS, and BREAUX.

The amendment would provide some emergency financial assistance for

family farmers that have incurred disaster losses.

AMENDMENT NO. 3963

(Purpose: To make emergency financial assistance available to producers on a farm that have incurred losses in a 2000 crop due to a disaster and to producers of specialty crops that incurred losses during the 1999 crop year due to a disaster)

Mr. DORGAN. Mr. President, I now send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. CONRAD, Mr. WELLSTONE, Mr. GRAMS, Mr. TORRICELLI, Mr. SCHUMER, Mr. LEVIN, Mr. LEAHY, Mr. KENNEDY, Mr. REED, Mr. SARBANES, Mr. DODD, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. HOLLINGS, Mr. BAUCUS, and Mr. BREAUX, proposes an amendment numbered 3963.

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

Mr. MCCAIN. I object.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk read as follows:

At the end of chapter 1 of title I of division B, add the following:

SEC. 1108. CROP LOSS ASSISTANCE.—(a) IN GENERAL.—The Secretary of Agriculture shall use such sums as are necessary of funds of the Commodity Credit Corporation (not to exceed \$900,000,000) to make emergency financial assistance available to producers on a farm that have incurred losses in a 2000 crop due to a disaster, as determined by the Secretary.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105-277), including using the same loss thresholds as were used in administering that section.

(c) QUALIFYING LOSSES.—Assistance under this section may be made available for losses due to damaging weather or related condition (including losses due to scab, sclerotinia, aflatoxin, and other crop diseases) associated with crops that are, as determined by the Secretary—

(1) quantity losses (including quantity losses as a result of quality losses);

(2) quality losses; or

(3) severe economic losses.

(d) CROPS COVERED.—Assistance under this section shall be applicable to losses for all crops, as determined by the Secretary, due to disasters.

(e) CROP INSURANCE.—In carrying out this section, the Secretary shall not discriminate against or penalize producers on a farm that have purchased crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(f) LIVESTOCK INDEMNITY PAYMENTS.—The Secretary may use such sums as are necessary of funds made available under this section to make livestock indemnity payments to producers on a farm that have incurred losses during calendar year 2000 for livestock losses due to a disaster, as determined by the Secretary.

(g) HAY LOSSES.—The Secretary may use such sums as are necessary of funds made available under this section to make payments to producers on a farm that have incurred losses of hay stock during calendar

year 2000 due to a disaster, as determined by the Secretary.

(h) EMERGENCY REQUIREMENT.—

(1) IN GENERAL.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), is transmitted by the President to Congress.

(2) DESIGNATION.—The entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 1109. SPECIALTY CROPS.—(a) IN GENERAL.—The Secretary of Agriculture shall use such sums as are necessary of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers of fruits, vegetables, and other specialty crops, as determined by the Secretary, that incurred losses during the 1999 crop year due to a disaster, as determined by the Secretary.

(b) QUALIFYING LOSSES.—Assistance under this section may be made available for losses due to a disaster associated with specialty crops that are, as determined by the Secretary—

- (1) quantity losses;
- (2) quality losses; or
- (3) severe economic losses.

(c) ELIGIBILITY.—Assistance under this section shall be applicable to losses for all specialty crops, as determined by the Secretary, due to disasters.

(d) CROP INSURANCE.—In carrying out this section, the Secretary shall not discriminate against or penalize producers on a farm that have purchased crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(e) EMERGENCY REQUIREMENT.—

(1) IN GENERAL.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), is transmitted by the President to Congress.

(2) DESIGNATION.—The entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am reluctant to say this, but I have to sooner or later. How many items are we going to keep adding and calling them "emergencies"? We have already passed a lot of emergencies for agriculture. I believe there are emergencies in this bill. I just wonder how many more we can come to the floor with. Everybody should know that when you come here and designate it as an emergency under the Budget Act resolution, it means it doesn't count against anything. If we want to, we can be down here the rest of this evening adding additional items and saying they are emergencies.

I don't know enough about this amendment. It is difficult to understand, even though it has been read. But we do know one thing: It costs \$900 million.

Obviously, there are some who do not want anybody interfering with people's ability to come down here and add money. But I frankly think what we ought to do is test this one out. I don't believe it is the right amendment to adopt as an emergency. I think maybe we will discuss it. Some will decide what it looks like and understand it. I don't know. But I am going to make a point of order that this amendment contains an emergency designation in violation of section 205 of H. Con. Res. 290, the fiscal year 2001 budget resolution.

I am perfectly willing to have a debate. We have the statute in front of us. If the Senator wants to make a case for the Senate that in fact he has a brand new emergency, it wasn't available to the committee. It wasn't available the last two times we had an agriculture supplemental—a number of which were emergencies for which we paid billions of dollars. I can recall a couple that were \$7 billion. One was \$6 billion. Then there are lesser ones now that are all supplementals for emergencies for agriculture. I have been told there is no limit so don't bother. There is no limit to those things that will pass as emergencies in the agricultural area.

It is kind of difficult when it is an agricultural issue to get up here and say this because there are some in my State; there are some in other States. I am sure when we are through understanding this amendment, they will try to convince us that everybody should vote for it because it affects them. Frankly, even if it does affect them, it doesn't mean we have to determine that it doesn't count. It should count.

I have a statute in front of me. I will yield the floor for a moment. Perhaps the Senator from Texas would like to read the statute.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I say to the Senator from New Mexico and also to the Senators from Texas and Arizona that it is my intention, having offered this amendment, to ask unanimous consent to withdraw the amendment after I have had a chance to discuss exactly what the Senator from New Mexico just described—new events that have occurred that have been quite disastrous in my State and some others that are now occurring in a significant region of the country dealing with drought.

My point is to say this about this amendment—and some of my colleagues will want to reinforce it. We have an agricultural disaster, not with respect to the collapse of commodity prices but with respect to floods and drought that have destroyed a significant number of crops in various parts of our country.

If I might, with my colleagues' consent, show a picture of a fellow standing in front of about 300 acres of soybeans. As you can see, it is of course nothing but water. These soybeans are

gone. It is the result of a June 12 and June 13 deluge of rain that fell in the Red River Valley, somewhere in the neighborhood of 16 to 19 inches of rain in a period of about 36 hours.

Let me say that again.

In the Red River Valley, on dead flat land, 16 to 19 inches of rain fell in some areas in about 36 hours. Then on June 19, in Cass County, and in Richland County, and several other areas of the State, in a 6-hour period a group of thunderstorms came together and dumped 8 to 9 inches of rain in a very short period of time. The result was fields as far as the eye could see that looked exactly like this, with crops planted that are devastated and destroyed. In fact, in the Red River Valley area, both in the northern and the southern part of the valley, about 1.7 million acres of crops were lost or significantly damaged as a result of those two devastating events.

We also have a significant drought that is occurring right now in the southern part of our country. As you know, crops are burning up at an accelerated pace. We have a disaster occurring for farmers in other parts of the country.

Let me again say it is my intention to seek consent to withdraw the amendment. I offered the amendment for the purpose of saying to the Congress that, yes, in fact, new events have occurred beginning on June 12 and 13 in our State when 18 to 19 inches of rain fell in about 36 hours, devastating a million and three-quarters acres of crop land. New events are occurring this week, and occurred last week, and I assume in the weeks ahead, with respect to the crops in the southern region of the United States.

I think we will have to address this issue. I think somehow we have to find a way to provide some assistance to those family farmers whose crops have been destroyed by a natural disaster.

Some will say perhaps there was some money provided earlier in the year in an agriculture bill for family farmers. That of course is true, and it dealt with the issue of collapsed grain prices. That reimbursement had to do with the collapse of market prices for commodities. There is, however, a circumstance in our country today, given the new laws in recent years, in which we don't have a disaster program available to try to provide some assistance when these disasters occur.

I offered the amendment for the purpose of discussing it, as will my colleague.

At this point, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3963) was withdrawn.

Mr. COCHRAN. Mr. President, on behalf of the managers of the bill, I send a package of amendments to the desk, the agriculture emergency assistance package, and ask that they be reported.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. KOHL, on behalf of other Senators, proposes en bloc amendments beginning with No. 3964.

Mr. COCHRAN. I ask unanimous consent that the reading of the amendments be dispensed with.

Mr. MCCAIN. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. GRAMM. Is the amendment divisible?

The PRESIDING OFFICER. The Senator sent up a group of amendments that require consent to be considered en bloc.

Mr. GRAMM. I object to them being considered en bloc.

AMENDMENT NO. 3964

The PRESIDING OFFICER. The clerk will report the first amendment.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for Mr. HARKIN, proposes an amendment numbered 3964.

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

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. I object.

Mr. COCHRAN. Mr. President, let me make a point of order and say that it is the intention of the manager to read a description of each of the amendments in the order in which they have been submitted to the Chair so that all Senators will be advised of the nature of the amendment.

I renew my request to ask that the reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. SESSIONS). Is there objection?

Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide the use of funds for the Emergency Watershed Program for emergency expenses for floodplain operations identified as of July 18, 2000)

On page 76, after line 18, of Division B, as modified, insert:

NATURAL RESOURCES CONSERVATION SERVICE
WATERSHED AND FLOOD PREVENTION
OPERATIONS

“For an additional amount for ‘Watershed and Flood Prevention Operations,’ to repair damages to the waterways and watersheds, including the purchase of floodplain easements, resulting from natural disasters, \$70,000,000, to remain available until expended: *Provided*, That funds shall be used for activities identified by July 18, 2000: *Provided further*, That the entire amount shall be available only to the extent an official budget request for \$70,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.”

Mr. COCHRAN. For the information of Senators and the edification of all

Senators who have asked that amendments be put before the Senate, under a section of the bill entitled “Agriculture Emergency Assistance Package,” I will read the list that the managers recommend be considered now by the Senate:

Amendment No. 1, for Senator HARKIN, to provide additional funding for emergency watershed and flood prevention operations;

No. 2, an amendment for Senators LEVIN and COLLINS to provide emergency assistance to apple and potato producers;

No. 3, an amendment on behalf of Senators GRAHAM and MACK—

Mr. DOMENICI. Could the Senator state the dollar number when he reads it? You gave us a description. Can you tell us how much?

Mr. COCHRAN. I was going to give you a total dollar number.

Mr. DOMENICI. Do you know each amount? It is your bill.

Mr. GRAMM. We have one amendment before the Senate, the HARKIN amendment.

Mr. COCHRAN. The Harkin amendment is \$70 million. The Levin-Collins amendment is \$115 million; the Graham-Mack amendment to compensate for nursery stock losses does not score.

No. 4, an amendment on behalf of Senators LOTT, COCHRAN, and KOHL to extend the wetlands reserve program; it is estimated to cost \$117 million;

No. 5, an amendment on behalf of Senators LEAHY and JEFFORDS, compensation for livestock losses, is estimated to cost \$4 million;

No. 6, an amendment on behalf of Senators HARKIN and BOND, for green biotechnology evaluation, estimated to cost \$600,000;

No. 7, an amendment on behalf of Senators ABRAHAM, SCHUMER, and LEVIN, for potatoes and apples quality losses, estimated to cost \$45 million;

No. 8, on behalf of Senators GRAHAM and MACK on compensation for citrus canker losses, estimated to cost \$40 million;

No. 9, on behalf of Senator COCHRAN, on emergency APHIS funding, estimated to cost \$59.4 million;

An amendment on behalf of Senators THURMOND and HOLLINGS on grain indemnity assistance, estimated to cost \$2.5 million;

An amendment on behalf of Senator COCHRAN on conservation assistance, no score on budget authority, \$6 million in budget outlays;

No. 12, on behalf of Senator SESSIONS on livestock assistance, no score is available, and is estimated to have no cost;

No. 13, on behalf of Senator EDWARDS on community facilities, estimated to cost \$50 million;

No. 14, on behalf of Senator DORGAN, natural disaster assistance, the amendment described, \$450 million;

No. 15, Senators INOUE and AKAKA, an amendment on commodity transportation assistance, estimated to cost \$7.2 million.

That is the entire list, for the information of Senators. It has been reviewed by the managers and recommended to the Senate by the offering of the amendment as eligible for agriculture emergency assistance in the amounts identified as stated.

Mr. DOMENICI. What was the total?

Mr. COCHRAN. The total amount of all of these amendments amounts to about \$900 million. The bill contained \$1.116 billion in emergency-designated programs and activities as reported by the committee. So the total emergency designated items and programs included in the bill, if this package is agreed to, would amount to \$2.1 billion based on preliminary scoring made available to the committee by the Congressional Budget Office.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, might I first clarify that the \$450 million that the Senator from Mississippi referenced is not for North Dakota. It is a national program to deal with disasters that have occurred in this most recent period of time. Some States have been hit by drought. Some States have been hit by flooding.

In reference to the question of the Senator from New Mexico, whether these are emergencies that could not have been dealt with in the normal process of the committee’s work, the answer is affirmatively yes, they could not have been dealt with in the normal work of the committee. They could not have been dealt with in the previous supplemental because the disaster had not yet occurred—at least with respect to North Dakota.

Senator DORGAN indicated we had the most remarkable weather event since we saw the 500-year flood in 1997. In mid-June, our State got 20 inches of rain in 36 hours. This is the headline from the biggest paper in the State: “Swamped.” This was a week after the rain that I just referenced.

The rain that I just referenced occurred a week before this one. We have been hit by the most remarkable series of floods since the 1997 flood, which was a 500-year event.

On June 12, in North Dakota, we had rains that were up to 20 inches in a wide band in northeastern North Dakota. Seven days later we got hit with this rainstorm—8 inches in 6 hours. The devastation is stunning.

On the State university, this is the reference, NDSU, \$50 million at the State university.

At the dome that is the large center, the activity center for the city: \$10 million of damage. In surrounding farm areas as a result of these two floods: 1.7 million acres devastated.

The catastrophe in our State cannot be overstated: 1.7 million acres of land devastated, hundreds of millions of dollars of damage in the largest city in our State. This is an emergency by any definition. Unfortunately, it had not occurred when we dealt with the supplementals. It had not occurred

when the committee did its work. It is only now that we know the full extent of the damage. That is why we are here asking our colleagues not for a new program but to reinstate the program we had last year to deal with crop loss disasters.

Last year, we put in place a program that cost about \$2 billion to deal with natural disasters. This year we are asking for \$900 million not just for North Dakota but for the other States that have been hit as well. We know the devastation in North Dakota is stunning, but we are not alone. In other areas of the country disasters have ruined crops as well: 216 counties in Georgia, South Carolina, and Florida were declared disaster areas on July 14.

I might say to my colleagues, I spoke on this matter last Friday with Senator Coverdell, Senator Coverdell who was tragically lost to us earlier this week. Senator Coverdell had indicated that he would join in an amendment because Georgia has been devastated. South Carolina and Florida were declared agricultural disaster areas as well on that same day, July 14.

USDA has also declared agricultural disasters in parts of Alabama, Nebraska, New Mexico, Arizona, Mississippi, New York, Texas, Washington, and perhaps other States. These are the States that I know of that have had disasters declared.

The hard reality is these things have happened. The earlier package we dealt with was designed for economic disasters. That has been passed. That has been signed into law. This is to give back the program that was available last year for areas hit by drought or severe flooding. We are asking for \$900 million. I can tell you, it is desperately needed, desperately needed. It is without question an emergency.

This series of events, at least in our State, had not occurred at the time of the supplemental appropriations bills, nor had it occurred so the full extent of the damage was known for the committee deliberations. That is the reality.

This responds also to the needs of producers in the Northeastern United States who have been hit, and the needs of producers hit by disasters in the South.

I ask my colleagues to very carefully consider their response to this request. We have always tried to be a United States of America in response to disasters, listening to the needs of every State in every condition. I regret very much that I am here asking again. We have had nine Presidential disaster declarations in the last 8 years in my State. I never remember something like this in my life. There is some extraordinary weather pattern affecting my State.

As many of you know, we have a lake that has risen 25 vertical feet in the last 6 years, a lake that is the size of the District of Columbia, a lake that is devouring surrounding communities, roads, farms—that is another disaster.

That lake missed having this extraordinary rainfall by 70 miles. If that lake would have been hit by this 20 inches of rain in 2 days, we would have been here dealing with a calamity of stunning proportion.

So I say to my colleagues, I know none of us like these surprise requests, but we could not have made the request until the disaster occurred. We could not have quantified the need, unfortunately, until FEMA and USDA had a chance to go in and do a review of the level of disaster. Again, the \$450 million requested is not for North Dakota. It is a national response to all the States that have been affected to repeat the program we passed and put in place last year. I hope my colleagues' hearts will not turn cold simply because we have had to face disasters year after year. I can tell you, the people of my State need help. Mr. President, 1.7 million acres devastated, that is one-fifth, 20 percent of the crop base of my State, and the biggest city of my State, as the headline in the biggest newspaper in my State says: "Swamped."

This is from the Grand Forks Herald, one of the four largest cities in the State, 80 miles to the north of Fargo: "Area Flooding Continues." Here are additional reports, "Weather Service Official Says Storm Worst He's Ever Seen."

It is hard to describe an event of this proportion—20 inches of rain in 36 hours. It is Biblical. I don't know any other way to say it to my colleagues.

This is from the Fargo Forum, again the biggest newspaper in our State, with officials there saying: "It's the worst rain flood we've ever had"—in the history of our State.

Finally, this story kind of tells it all, again from the biggest newspaper in our State: "Floods Finish Off Crops Hurt By Drought."

I just conclude by saying to my colleagues: It is perverse but it has happened. Hundreds of millions of dollars of damage in my State alone, with other States similarly affected. We ought to put in place the program we had last year to help those who deserve assistance. That is my plea to my colleagues tonight.

The PRESIDING OFFICER. The Senator from Minnesota.

Several Senators addressed the Chair.

Mr. WELLSTONE. Mr. President, I think I have the floor.

The PRESIDING OFFICER. The Senator from Minnesota has been recognized.

Mr. WELLSTONE. Mr. President, I say to my colleague from Texas, I think I will take about 3 or 4 minutes; that's all. I want to associate myself with the remarks of my colleagues from North Dakota.

I simply want to put it in personal terms because I think that is the way most Senators understand things. About 2 weeks ago, I was visiting with friends. When I drove up, there were

pickup trucks as far as you could see. The farmers were there because of flooding, again, for the seventh year in a row. In my State, 350,000 acres of farmland have been destroyed. You could just look at the faces of people and see the pain. This happened in June when we were dealing with the MILCON bill. We were not able to assess the damage yet.

Look, whatever the vehicle is and however we do this, I thank Senator COCHRAN for understanding what we are trying to do, and I hope—this amendment has been withdrawn, but I hope we do come together as Senators to support this. This is not just about North Dakota or Minnesota; it also is about a lot of States in the South. There, it is the opposite problem; it is drought.

I have only been here—I guess it is a long time—9 years. That is not as long as some of my colleagues. The way I feel about the Senate is we do become a community. Maybe we will do it a different way, but we are a community in the sense that it is, there but for the grace of God go I. Whenever Senators come to the floor and say: My God, it's been tornadoes, it's been hurricanes, its floods, its droughts and people are hurting and people need help, I do not hesitate to vote for other Senators and other people in other States. That is what this is about.

This amendment has been withdrawn, but the question before us will continue to be a question before us. I certainly hope that, working with Senators, Democrats and Republicans alike, we will be able to get the support.

I will finish this way: This is not like how do you come to the floor of the Senate and sneak something through or there is something that you are doing that is some flagrant special interest favor. The only special interests here are a whole bunch of good people, who are going through a living hell, who need some help. What we are trying to do is get that help for those people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, if we were beginning to write a farm budget this year, these arguments might resonate. The problem is we have already spent \$9.6 billion that required budget waivers so far this year: Spending some of it in the year 2000, and spending some of it in the year 2001, but all of it where we made a commitment to spend this year.

What is really happening is we are in the process of simply throwing the budget out the window. We are in the process of letting this budget surplus literally burn a hole in our pockets. The level of scratching and clawing to get into the pockets of the Federal Government is at a level I have never experienced in the 22 years I have served in Congress.

It seems to me if this provision were meritorious in a bill that is providing

\$14.85 billion of discretionary assistance to farmers and ranchers, it would have found a place. In fact, this bill, in addition to the \$1.4 billion of crop insurance, \$1.6 billion in emergency assistance, the \$5.5 billion of loss assistance, the \$1.1 billion this bill has for emergencies—if we adopt this amendment, we are saying that a full \$10.5 billion of emergency spending in agriculture will be expended this year when the entire nonemergency part of the bill is \$14.85 billion. In other words, we have about a 66-percent increase in spending, all in the name of emergency.

I have to say I believe this has gone too far. We are all interested in helping farmers and ranchers. We all know there are problems, but every year the President proposes a level of assistance, Republicans raise it, Democrats raise it more, and then our Democrat colleagues raise it again. Is there no limit to the amount of money we are willing to spend because we have this surplus?

Obviously, I cannot address every issue raised by every Senator, but one has to ask the question: When 50 cents out of every dollar going to farmers in America is coming from the Government, what is going on in America today?

It is very interesting to me, and I just put these figures out here and pose a question: If we are having a complete agricultural disaster, if farmers are going broke left and right, if we should be spending almost 70 percent of our ag budget in emergency add-on spending, what would you expect to be happening to farm debt? Given that we have a 70-percent cost over-run to "help the farmer," what would you think is happening to farm debt? What would you think is happening to the level of farm assets? What would you think is happening to the debt-to-asset ratio?—in other words, the amount of debt farmers have relative to their assets.

When we have allowed emergency spending to reach levels unprecedented in the history of this country, when we have made emergency appropriations in agriculture the norm, when we have had a bidding war to buy votes in rural America such as this country has never seen in its history because of all of these losses, what would you think is happening to farm debt?

Let me just give you the figures: Farm debt in 1998 was \$172.9 billion. In 1999, it was \$172.8 billion. This year, it is projected to be \$172.5 billion.

With all of this economic disaster, with this destruction such as we have not seen since Steinbeck novels, somehow, remarkably, farm debt is going down and not up. Yet we cannot spend money fast enough. There is just not enough money in the world to meet the demand we have for it.

What would you think is happening to farm assets? Farmers going broke left and right, leaving the farm, disaster, the trails, the trucks going to California, the desertion, the disaster

in rural America—what do you think is happening to farm assets? They must be plummeting. They must be in a complete free-fall. Oddly enough, not only are they not plummeting, they are going up. They were \$1.0643 trillion in 1998, \$1.0672 trillion in 1999, and they are projected to be \$1.0728 trillion this year.

If there is such absolute calamity in agriculture in America today, why are assets going up, and not down?

Finally, with all of this burgeoning debt—farmers drowning in debt; the mortgage collector at the door; the mean, cold-hearted banker beating on the farm door, foreclosing mortgages; widows being put out on the lawn on our farms—what do you think has happened to the debt-to-asset ratio in agriculture? It was \$16.2 billion in 1998, \$16.2 billion in 1999, and \$16.1 billion today.

What is wrong with this picture? We are saying that the world is collapsing in rural America, and we are spending at rates unprecedented in the history of this country to deal with a calamity; and yet farm debt is going down, farm assets are going up, and the debt-to-asset ratio in agricultural America is actually going down.

Now look, something is wrong here.

What is wrong with this picture? I will tell you what is wrong with this picture. The obscene actions that have been taken in this Congress. There seems to be no limit to what we are willing to spend in the name of agriculture. I think it has to stop. I can't judge the merits of this case, this \$70 million, that \$115 million, the next \$117 million, \$4 million, \$600,000—

The PRESIDING OFFICER. Will the Senator suspend.

The Senate will be in order.

Mr. GRAMM. The \$45 million, \$40 million, \$59.4 million, \$2.5 million, \$6 million, \$50 million, \$450 million, \$7.2 million—these are all emergencies that, when we funded the three previous emergencies, did not make it into the stack. When this bill was written, in a committee that is not known for turning a cold, dead eye to suffering farmers and ranchers, this \$900 million never made it into the stack.

But here we are, on a Thursday afternoon, at 7:20 p.m., and we are talking about \$900 million—\$900 million of spending that was not in the budget, that was not in the appropriations bill, that requires a waiver of the Budget Act, and that requires the designation of an emergency.

I am saying, in \$10 billion of emergency spending and \$14.85 billion of ordinary spending—out of \$25 billion that we are spending—how come there was not room for this \$900 million? How come we are suddenly dealing with it at 7:25 p.m. tonight?

I think the answer is as clear as the answer can be. The answer is, we are determined we are going to spend every penny we can spend. We are turning our budget process into an absolute laughing stock. We are proving that all

somebody has to do is walk down to the floor on Thursday evening and offer an amendment, spending millions of dollars, and it is great.

We are asked: Have you lost compassion? Look, I have plenty of compassion. But how much compassion is enough? How much do we have to spend on these programs? This year, we have already spent almost \$10 billion in agricultural programs that required a budget waiver. We are already to the point where half of all net farm income is coming from a check from Washington, DC. Where does it end?

Final point—I have talked too long—but today, when we had Alan Greenspan before the Banking Committee, he was asked whether or not he was concerned about the fact that if you take the appropriation growth we had this year and project it for 10 years, it is over \$1 trillion in new spending. We are realistically debating a new entitlement that, when fully implemented for 10 years, would cost about \$750 billion. He said he was very concerned about it, that he thought it represented a potential threat to the economy.

So I am not saying that all of these things are without merit. I am just saying: When does it end? When does it stop? How much is enough? Is \$10 billion of emergency spending—almost 70 percent above the normal level of spending—is that not enough?

I think these are real questions that need to be answered. I think it is important that we stop these amendments. And they may be adopted. Look, I understand the votes may be here to adopt them. But they are going to be adopted individually. And they are going to be subject to a point of order. We are going to begin to resist. This has to end somewhere. It seems to me that this is the place where we need to begin to talk about it ending.

I, quite frankly, was willing to accept all of these so-called emergencies already in the bill, but this just goes beyond the limits of endurance, in my opinion.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I will be brief.

I am very pleased that the distinguished chairman of the Budget Committee is going to raise a point of order, very shortly, on the first amendment, the Harkin amendment. I do not pretend to have the budget knowledge and expertise of the distinguished chairman of the Budget Committee, but I do know that when he becomes exercised about what is taking place, at an ever-increasing crescendo of additional spending, about which Members really have no information or knowledge, we have to bring this to a halt at some point.

I say to my colleagues now, I will make every effort to prevent us from going out of session without the appropriations process being resolved. No

more should we all go home while four or five Members of Congress decide on omnibus appropriations bills and then we are called back to vote "yea" or "nay" on a bill that none of us has had a chance to know or read.

Every year, for the last 3 years, we have been assured that this will not happen again. Well, my friends, I will do everything in my power not to have it happen again.

But let me point out, the Harkin amendment, which we just saw—this amendment which was about to be adopted by voice vote in the package of amendments totaling \$960 million, which none of us had seen—let me just describe it to you.

It says:

For an additional amount for "Watershed and Flood Prevention Operations," to repair damages to the waterways and watersheds, including the purchase of floodplain easements, resulting from natural disasters, \$70,000,000, to remain available until expended: Provided, That funds shall be used for activities identified by July 18, 2000

Let me repeat that:

. . . That funds shall be used for activities identified by July 18, 2000. . . .

That was 2 days ago. What activities? Identified by whom? The Department of Reclamation? The Department of Agriculture? Senator GRAMM? Senator HARKIN? What activities that were identified by July 18? And where is the record of July 18 of these activities that were identified to spend \$70 million on?

What is going on? We are going to spend \$70 million for "Watershed and Flood Prevention Operations," for "activities identified by July 18, 2000"? Is there any Member of this body, including the sponsor of the bill, who knows what activities have been identified?

Mr. COCHRAN. If the Senator will yield, I will be happy to give him the answer.

Mr. MCCAIN. I will be happy to hear the answer.

Mr. COCHRAN. The date of July 18 was chosen because it was on that date that the National Resources Conservation Service provided a list to the committee, at our request, of unfunded needs that were considered emergency watershed projects throughout the United States.

It was this list from which we chose to estimate the funding needs that ought to be included in this bill as true emergencies. The total amount of the unfunded projected needs is \$157,111,000. We have suggested the \$70 million figure for emergencies. Of those projected needs, spring floods accounted for \$30 million, hurricanes and tornadoes for \$50 million, and fires for \$10 million. These are either erosions or destruction of watershed protection facilities or the requirement for obtaining floodplain easements in those areas. That is generally across the United States. It is not State specific.

Then there are 23 States where the amounts are specifically identified as totaling \$67,111,000. These are the

States: Alaska, Arizona, Arkansas, California, Colorado, Georgia, Indiana, Illinois, Iowa, Louisiana, Minnesota, Missouri, Mississippi, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Utah, and Wisconsin. They vary in each State from, for example, Alaska, which is a small number, \$237,000, to a large number, California, \$12 million; another large number, Illinois, \$7.5 million; and Iowa, which was the subject of Senator HARKIN's request, \$7.5 million, to which the managers added all the other States so it wouldn't be just relief for one State but all States that were similarly situated would be included in this amendment because they all had similar needs.

Mr. MCCAIN. I thank the Senator from Mississippi. That is very illuminating. I guess my next question to the distinguished manager is, we already have \$1.1 billion worth of spending designated "emergency" in the bill. What occurred in the intervening time that necessitated an additional nearly billion dollars and next week will there be another billion dollars? I believe only a week has elapsed since the bill was brought to the floor.

Mr. COCHRAN. Mr. President, if the Senator will yield, these are figures that were provided to the committee by the Natural Resources Conservation Service. That service administers the Emergency Watershed Protection Program. These are the projected needs through fiscal year 2000. They were provided to the committee on July 18 at our request.

This program was out of money as of sometime last fall because of the cutbacks in funding that we have been seeing in this bill, along with others as well. To try to achieve consistency with the budget resolution targets and our allocation under section 302(b), we were not able to fund programs to the full amount of the request from the administration for projected needs.

These are given to us as certified emergency needs from this agency that has the responsibility of administering the program.

Mr. MCCAIN. Mr. President, I thank the Senator for that information.

The Senator from Mississippi has added a great deal to the store of knowledge of this body. I think it is very helpful. I still don't quite understand why at the end of an appropriations bill there should be, en bloc, 15 or whatever it is amendments worth over \$900 million, which we didn't even get a copy of until we demanded it at the time, after the amendments were proposed. I don't think that is the way we should do business around here, particularly when we are talking about hundreds and millions and billions of dollars. I think it would have been appropriate—although I won't continue with the floor—as to what happened to the \$8 billion or so that we already spent. What about those emergencies and what happened to that money?

I thank the Senator from Mississippi for his information and yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I will try to be very brief.

I want to make an observation. I honestly believe that we would be better off if instead of continually adding emergencies for agriculture or anything else, if we were to add more money straight up to the appropriations process. I believe we ought to just ask the chairman and ranking member at the end of this year to add more money. But we ought not to, by the week, add emergencies.

I know there are a number of bills—who knows where we will come out on them—that are taking care of problems by adding emergency provisions. I believe the chairman understands, the chairman of the Appropriations Committee understands our problem. I believe Senator BYRD understands our problem. The solution is not to add an emergency by the week, have a bill and then everybody comes running and we say: There is no room for it. Well, call it an emergency and then there will be room because it doesn't count against anything.

I want to make another observation about the agricultural community. I probably have the best support or at least as good support as any Senator here from the agricultural community of my State. But I am not impressed with the year-in-year-out emergency requests of the agricultural community of this country. It is approaching the ridiculous. They ask the Budget Committee, put more money in for agriculture.

We were pretty skimpy on other things, but we were not very skimpy on agriculture. We provided, and the committee held on to this in the appropriations, a \$5.5 billion reserve fund for market losses. As soon as they funded it, the reserve fund was released, and they had \$5.5 billion. Market losses are emergencies in the broad sense for agriculture, I guess. I understand that to be the case. People are getting checks because the market didn't work. They didn't get money.

We put in a new crop insurance allowance for which everybody thanked us. It was passed, but it was passed even bigger than we thought. And that was all right. That amounted to \$3 billion. It is heralded as a fantastic success by people such as Senator PAT ROBERTS of Kansas. We finally did it. Now crop insurance is emergency money. It is a rational way to take care of annual losses by crop insurance, a sharing of the burden by a lot of people. When a crop fails, you have something to help them with.

Well, that wasn't quite enough and we knew it. And we heard: Don't hold your breath; there will be more agricultural emergencies.

I hope and pray the bill finishes tonight. I wish it would have finished a week ago. Sooner or later, we have to

stop adding emergencies to a bill in the agricultural area. I am not sure that every one of these are agricultural subsidy enhancers. The bill has a lot of jurisdiction. It could be other things. The distinguished senior Senator from Mississippi manages the bill beautifully. He knows what he is doing.

I noted also, when he sent these amendments to the desk, he said: I send them on behalf of the Senators that have asked for them. He did not say the chairman of the Agriculture Committee submits these and asks for all of them. I believe he really thought somebody would challenge some of them but he would offer them because he had worked on them to narrow down a request that was even bigger than this.

I suggest that we try this on tonight, that we decide that if we need more money and we are going to put it in bills, that we ask the chairman to spend more money. I will not agree with my friend from Texas. It is not the appropriations bills that are going to break this budget. It is not the appropriations bills that are going to cause us to run out of the surplus that is being generated. You can count on that. The increases in appropriations will be wiped out by one entitlement bill. Whatever you expect to be added to appropriations the next decade will be wiped out by the first major entitlement bill that comes along. It will take from the same pot of surplus as appropriations. It is not appropriations that is breaking the bank.

I compliment Senator GRAMM for trying to keep us from going wild, but the truth is, it is not appropriations. We don't have any control over it, if in fact instead of asking for the money to be added to the budget and vote on that as grown-up Senators, we added money, and do you want it or not. You will have a shot at that when we add it because we are going to add money. The chairman is going to have to ask us for more money to get the appropriations bill, substantially more. But it will be a heads up add-on. It won't be coming along the way we are here. So when it is appropriate, after asking a parliamentary inquiry, I will make a point of order. What is pending before the Senate right now?

The PRESIDING OFFICER. The pending question is the amendment No. 3964 offered by Senator COCHRAN for Senator HARKIN.

Mr. DOMENICI. Is it appropriate to make a point of order under the Budget

Act regarding the emergency quality of that?

The PRESIDING OFFICER. That would be appropriate.

Mr. DOMENICI. Mr. President, I make a point of order that the amendment contains an emergency designation in violation of section 205 of H. Con. Res. 290, and the fiscal year 2001 budget resolution.

Mr. COCHRAN. Mr. President, I move to waive the point of order pursuant to section 205(c) of H. Con. Res. 290 with respect to all emergency designations in this bill and to all the amendments to this bill filed at this time, and I ask for the yeas and nays.

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

The PRESIDING OFFICER. The first issue is to determine if there is a sufficient second. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAMM. 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. GRAMM. 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. 3977—MOTION TO WAIVE

Mr. GRAMM. 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. GRAMM] proposes an amendment numbered 3977:

Strike all after the first word, and insert the following:

"I move to waive section 205 of the budget resolution for consideration of the Harkin amendment."

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. 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.

AMENDMENT NO. 3978 TO AMENDMENT NO. 3977

Mr. COCHRAN. Mr. President, I move to strike the word "waive" in the pending amendment and insert the fol-

lowing: "Section 205(c) of H. Con. Res. 290 with respect to all emergency designations in this bill and all amendments filed at the desk at this time to this bill other than amendment No. 3918."

I send the motion to the desk. I ask it be reported.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 3978 to amendment No. 3977.

Mr. GRAMM. Parliamentary inquiry. Is this a strike-and-insert amendment?

The PRESIDING OFFICER. The regular order is for the clerk to finish reporting the amendment.

For the information of the Senator, the amendment does strike a word and add other language.

Mr. GRAMM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Under the regular order, the amendment should be read or its reading terminated by regular order.

Without objection, it is so ordered.

The amendment is as follows:

Strike the word waive in the pending amendment and insert the following:

"Section 205(c) of H. Con. Res. 290 with respect to all emergency designations in this bill and all amendments filed at the desk at this time to this bill other than amendment No. 3918."

Mr. COCHRAN. I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAMM. 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.

AMENDMENT NO. 3978 TO AMENDMENT NO. 3977,
WITHDRAWN

Mr. COCHRAN. Mr. President, on behalf of the leader and at his request, I ask consent that the pending motion to waive and any amendments thereto be withdrawn, and that the point of order be withdrawn.

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

NOTICE

Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. SESSIONS. Madam President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar: No. 624, Norman Y. Mineta, to be Secretary of Commerce.

I further ask unanimous consent the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

DEPARTMENT OF COMMERCE

Norman Y. Mineta, of California, to be Secretary of Commerce.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ORDERS FOR FRIDAY, JULY 21, 2000

Mr. SESSIONS. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9 a.m. on Friday, July 21. I further ask consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of a conference report to accompany H.R. 4810, the reconciliation bill.

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

PROGRAM

Mr. SESSIONS. Madam President, when the Senate convenes at 9 a.m., the Senate will immediately resume debate on the reconciliation conference report. Under the order, there are 30 minutes of debate remaining, with a vote to occur at approximately 9:30 a.m. The leader has announced that the 9:30 a.m. vote will be the only vote of the day.

Following the vote, the Senate will begin consideration of the energy and water appropriations bill. Amendments will be in order, and those Senators who intend to offer amendments to the bill should contact the bill managers as soon as possible. Any votes ordered with respect to the energy and water appropriations bill will be stacked to occur at a time to be determined Monday.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. SESSIONS. Madam President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 10:24 p.m., adjourned until Friday, July 21, 2000, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 20, 2000:

THE JUDICIARY

ANDREW FOIS, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS, VICE EUGENE N. HAMILTON, TERM EXPIRING.

OVERSEAS PRIVATE INVESTMENT CORPORATION

MIGUEL D. LAUSELL, OF PUERTO RICO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2000, VICE JOHN CHRYSTAL.

MIGUEL D. LAUSELL, OF PUERTO RICO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2003. (REAPPOINTMENT)

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF OF ENGINEERS, UNITED STATES ARMY,

AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601 AND 3036:

To be lieutenant general

MAJ. GEN. ROBERT B. FLOWERS, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. MICHAEL L. DODSON, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. DANIEL J. PETROSKY, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE SURGEON GENERAL, UNITED STATES ARMY, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 3036:

To be lieutenant general

MAJ. GEN. JAMES B. PEAKE, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. CHARLES S. MAHAN, JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOSEPH K. KELLOGG, JR., 0000

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. H. STEVEN BLUM, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR A REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531:

To be colonel

MICHAEL R. MAROHN, 0000

CONFIRMATION

Executive nomination confirmed by the Senate July 20, 2000:

DEPARTMENT OF COMMERCE

NORMAN Y. MINETA, OF CALIFORNIA, TO BE SECRETARY OF COMMERCE.