SENATE—*Wednesday, March 24, 1993*

(Legislative day of Wednesday, March 3, 1993)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable DIANNE FEINSTEIN, a Senator from the State of California.

PRAYER

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

Let us pray:

Commit thy way unto the Lord; trust also in him; and he shall bring it to pass.—Psalm 37:5.

Almighty God, Lord of history, Ruler of the nations, we pray for Your sovereign guidance in the affairs of our Nation. As the Senators work their way through a maze of statistics, amendments, and thousands of words, lead them to a resolution that will guarantee our future. Help us to understand that we do not sacrifice reason when we trust God, that we do not abdicate our responsibility when we commit our way to Him. Let Thy will be done on Earth as it is in Heaven.

We pray in the name of Him who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 24, 1993.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DIANNE FEINSTEIN, a Senator from the State of California, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. FEINSTEIN thereupon assumed the chair as Acting President pro tempore.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEARS 1994–98

The ACTING PRESIDENT pro tempore. The clerk will report the pending business.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 18) setting forth the congressional budget of the United States Government for fiscal years 1994, 1995, 1996, 1997, and 1998.

The Senate resumed consideration of the concurrent resolution.

Pending:

Lott amendment No. 240 to strike the proposed tax increase on social security income, and to provide that the revenue reduction is offset by a reduction in proposed new spending.

The ACTING PRESIDENT pro tempore. The pending question is the amendment of the Senator from Mississippi.

Who yields time on the amendment?

Mr. LOTT. Madam President, why are we even thinking about this tax? Social Security is a separate trust fund. It did not cause the deficit, and it must not be used to solve it. In fact, last year the fund accumulated a $52 billion surplus. The irony here is that this surplus and revenues from the proposed tax increase are not used to reduce our deficit; every dollar of it goes for some spending program. What a monstrous charade this is on our senior citizens, to imply that they are sacrificing to reduce the deficit and then to grab more money out of their pockets to increase spending. Increasing this tax is wrong in principle, and it is unfair to the elderly.

Let us look at a typical case, a widowed schoolteacher whose income from pension, IRA, part-time work, and Social Security is $27,500. This woman is going to be asked to contribute an extra 70 percent of her Social Security payments to the tax base in figuring her contribution to the IRS.

I received a letter this week from Mr. Harry Bynum, a former constituent of mine who now lives in Arkansas. He very eloquently described the inequities of this proposed tax, and I would like to read a portion of his letter:

I am 70 years old. I am disabled due to a heart condition and severe arthritis. I first started paying social security in 1939. It was a covenant agreement between myself and the federal government that I would pay then and they would pay me an amount at 65 years of age untaxed. Since that time, benefits have increased and the amounts paid in have increased. I was never allowed to falter on this agreement. It should not have been taxed in earlier years. The tax should not be increased now.

I make a little over $32,000 a year but I am far from rich. I cannot even afford the cost of the new medicines for arthritis. We live very simply and there is no extra money. I have no way to earn it. Why should older people be singled out to make the greatest sacrifice of all? The campaign promise was that only people making over $200,000 would be taxed. Have we stooped so low now that $32,000 is rich?

In the interest of fairness let us look at what this tax does to many of our senior citizens, few of whom at $25,000 and above can be called rich by any stretch of the imagination. For a single person making $25,000 the tax on their Social Security benefits is increased 70 percent. For heavens sake, you are only asking that we make people earning $250,000 pay a 10-percent surtax. Why do you want to increase this poor senior citizen's marginal tax rate by 70 percent?

In 1983, when Congress initially passed the law to tax Social Security benefits, it made a deal with the American people that only 50 percent of their benefits would be taxed. The rationale for this value was that it represented only the employer's contribution. It was not an arbitrary percentage. What is the basis of 85 percent? Could it be Government greed? The other side of the covenant with Social Security recipients was that the proceeds would go only to the Social Security trust fund. Well, I remember a quote by Sam Ervin, the former distinguished Senator from North Carolina, who said "You can shear a sheep every spring, but you can only skin him once." We have already skinned the sheep.

And, recipients who work, get a double whammy. They are already penalized by the earnings test. For every $3 earned above $10,560, they lose $1 in their Social Security benefits. With this new tax, some beneficiaries who work will actually be worse off if they work harder and earn more wages. For example, let us consider an elderly couple who is still active and has kept working at their small plumbing business. They are lucky and earn enough to pay 28-percent tax rates. After income taxes, self-employment taxes for Social Security, State taxes, and the earnings test, this couple finds that this new tax on their Social Security earnings will force them to pay an extra $1.01 for each $1 that they earn. Is this an incentive for people to work and save for their own retirement? It seems to me the message this tax sends is clear: The harder you work, the higher your taxes.

I have been amazed by my colleagues' reaction to this tax proposal. When I offered my amendment in the Budget Committee markup, my Democratic colleagues voted against it and said we should debate this issue on the floor. Now, I expect Senators will say "There isn't really a tax on Social Security recipients in this package. This is just a bunch of numbers. The Finance Committee will make decisions on the tax

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

mented a savings of $51 million in reduced guaranty payments as a result of the loan-servicing efforts of 231 FTE. Taking into account VA's average FTE cost in FY 1991 ($34,572) the average net government savings for each FTE was more than $1,896,000 in FY 1991—equivalent to $202,000 in current dollars.

Using even the most conservative of these two estimates, the government actually can save over $200,000 for each additional FTE dedicated to loan servicing.

We urge your Committee to change the budget scorekeeping rules to reflect the true budgetary impact of adding employees who would produce these savings. Funding should be provided for the cost-effective addition of loan servicing personnel.

DEPARTMENT OF LABOR VETERANS' EMPLOYMENT AND TRAINING PROGRAMS

Transition Assistance Program. Public Law 101-510 gave the Department of Labor (DOL), in conjunction with the Departments of Defense and VA, the responsibility to conduct the Transition Assistance Program [TAP], which assists servicemembers who are within 180 days of being discharged to make the transition from active duty to civilian employment. Public Law 102-484 authorized $8 million for DOL's TAP efforts in FY 1994. Full funding for this program is necessary to enable the federal government to help those who served so well when our defense needs were greater make the transition to civilian life and employment.

State grants programs. Chapter 41 of title 38, United States Code, prescribes the staffing levels for both the disabled veterans' outreach program [DVOP] and the local veterans' employment representative [LVER] program. State personnel provided through the DVOP and LVER grants programs provide job counseling, training and placement services for eligible veterans, in addition to providing TAP services. For the last two fiscal years, the funding levels requested and appropriated have been below those required by statute. Without full funding, DVOP and LVER shortages will leave unemployed veterans underserved and hinder efforts to provide transition assistance services.

Job training programs. Title 44G of Public Law 102-484 authorized $75 million for payments to employers under the Service Members Occupational Conversion and Training Act of 1992. Assistance may not be paid on behalf of an eligible person who applies initially for a program of job training after September 30, 1995, or for any such program that begins after March 31, 1996. Increased downsizing of the active-duty Armed Forces will require a $25-million increase in the authorization level, to a total of $100 million, and a two-year extension of the September 30, 1995, and March 31, 1996, limiting dates.

GOVERNMENTWIDE STAFFING REDUCTIONS

We are concerned about the effect on VA of proposals to make across-the-board cuts in government employment and in funding as a result of government "streamlining." These reductions could have an especially harsh effect on veterans medical care and on VA's ability to deliver benefits in a timely manner.

Cuts in FY 1993 or 1994 funding for veterans programs below the "current services" baseline will not improve services. The Reagan Administration repeatedly proposed spending cuts in VA budgets that it attributed to unspecified efficiency improvements. It is clear that these cuts helped produce the continuing fiscal crisis in VA health care and benefits delivery.

VA needs increases above current-services levels to provide adequate health care for veterans and reduce intolerable delays in delivering veterans benefits. VA certainly should pursue long-term efforts to achieve savings through greater efficiencies, but we should not hurt veterans programs by cutting funding in expectation of major savings from unidentified and untested plans to improve efficiency.

DEFICIT-REDUCTION (RECONCILIATION) PROPOSALS IN THE PRESIDENT'S BUDGET

The President has proposed changes in direct-spending programs within our Committee's jurisdiction that the Office of Management and Budget estimates will reduce the deficit by a total of $328 million during FY 1994 and a total of $3.7 billion over the next 5 years. With certain caveats, we believe that this represents an achievable target for our Committee's fair share of the President's deficit-reduction program.

The President's budget recommends nine legislative provisions that OMB estimates will achieve these reconciliation targets. At this time, we express no opinion on the substantive merit of each provision; we need more time to review them and to consult with veterans service organizations, VA, and other concerned parties regarding their impact on VA programs and any alternatives that might be preferable. Initially, we consider the overall targets reasonable and fair to veterans, considering the budget-deficit crisis and the other, very positive parts of the President's economic plan will help veterans—and all Americans.

We note that the deficit-reduction targets are based on OMB estimates of the legislation proposed in the President's budget. Senate consideration of the reconciliation legislation itself will be governed by estimates made by the Congressional Budget Office—not OMB. If the CBO estimates differ significantly from the OMB estimates for these provisions, it will be critical to base our Committee's reconciliation instructions in the budget resolution on the CBO, not OMB, estimates.

Finally, as the authorizing committee with jurisdiction over these important veterans programs, we understand that we will have the flexibility to satisfy our reconciliation instructions through legislation we consider most appropriate. For example, we might wish to seek alternative to certain proposals in the President's budget that could have serious, adverse effects on the VA home-loan guaranty program.

CONCLUSION

With the foregoing reservations, our Committee generally supports the broad outlines of what President Clinton has proposed with respect to the budget for veterans programs. Recognizing the pressing need to address the federal budget deficit, veterans are prepared to do their part in regaining control over our nation's financial well-being. However, we wish to ensure that the sacrifices that veterans are asked to make do not impair the government's ability to meet its obligations to the nation's veterans and their families.

These views reflect the best judgment of the Committee on Veterans' Affairs as of this date. If we or the Committee staff can provide further assistance in your consideration of this report, please feel free to call upon us.

Sincerely,

DENNIS DECONCINI.
JOHN D. ROCKEFELLER IV.
GEORGE J. MITCHELL.
BOB GRAHAM.
DANIEL K. AKAKA.
THOMAS A. DASCHLE.
BEN NIGHTHORSE CAMPBELL.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

MORNING BUSINESS

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. NUNN, Committee on Armed Services:

Maj. Gen. Albert J. Edmonds, USAF to be lieutenant general (Reference No. 45)

Maj. Gen. Eugene E. Habiger, USAF to be lieutenant general (Reference No. 46)

Maj. Gen. Carl G. O'Berry, USAF to be lieutenant general (Reference No. 47)

In the Air Force there is 1 appointment to the grade of brigadier general (Charles R. Holland) (Reference No. 48)

Lt. Gen. J.H. Binford Peay III, USA to be general and to be Vice Chief of Staff, U.S. Army (Reference No. 49)

Gen. Dennis J. Reimer, USA for reappointment to the grade of general (Reference No. 51)

Maj. Gen. John H. Tilelli, Jr., USA to be lieutenant general (Reference No. 52)

Rear Adm. David B. Robinson, USN to be vice admiral (Reference No. 61)

In the Marine Corps there are 11 appointments to the grade of major general (list begins with Jeffrey W. Oster) (Reference No. 65) [See January 20, 1993 for list.]

Total: 19

By Mr. MOYNIHAN, from the Committee on Finance:

Lawrence H. Summers, of the District of Columbia, to be an Under Secretary of the Treasury.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 643. A bill to establish the Jemez National Recreation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES:

S. 644. A bill for the relief of Armando Taube Moreno; to the Committee on the Judiciary.

By Mr. KOHL:

S. 645. A bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing; to the Committee on Finance.

By Mr. JOHNSTON:

S. 646. A bill to establish within the Department of Energy an international fusion energy program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KOHL:

S. 645. A bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing; to the Committee on Finance.

MORTGAGE REVENUE BOND FINANCING

• Mr. KOHL. Mr. President, I rise today to reintroduce legislation that will help Wisconsin and several other States extend one of our most successful veterans programs to Persian Gulf war participants and others. This bill will amend the eligibility requirements for mortgage revenue bond financing for State veterans housing programs.

Wisconsin uses this tax-exempt bond authority to assist veterans in purchasing their first home. Under rules adopted by Congress in 1984, this program excluded from eligibility veterans who served after 1977 or who had been out of service for more than 30 years. This bill would simply remove those restrictions.

Wisconsin and the other eligible States simply want to maintain a principle that we in the Senate have also strived to uphold—that veterans of the Persian Gulf war should not be treated less generously than those of past wars. This bill will make that possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (4) of section 143(l) of the Internal Revenue Code of 1986 (defining qualified veteran) is amended to read as follows:

"(4) QUALIFIED VETERANS.—For purposes of this subsection, the term 'qualified veteran' means any veteran who meets such requirements as may be imposed by the State law pursuant to which qualified veterans' mortgage bonds are issued.".

(b) The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.•

By Mr. JOHNSTON:

S. 646. A bill to establish within the Department of Energy an international fusion energy program, and for other purposes; to the Committee on Energy and Natural Resources.

INTERNATIONAL FUSION ENERGY ACT OF 1993

Mr. JOHNSTON. Mr. President, today I am introducing legislation to redirect the Department of Energy's fusion energy program in a way that will ensure that the United States works closely with the international fusion community toward the near-term goal of evaluating the scientific and technical feasibility of fusion energy. It is my firm belief that this restructuring of the Department's fusion program is necessary if the United States is to be in the position to realize the full potential of this energy source in the next century.

The Department of Energy now spends close to $350 million annually on its fusion research program, most of which is focused on magnetic fusion. A significantly smaller part of the program is focused on inertial confinement fusion. Inertial confinement fusion has been developed largely through the defense programs part of the Department of Energy, with a very small portion funded by the energy research program.

The Department's magnetic fusion research focuses on the use of strong magnetic fields to confine an extremely hot gas which undergoes fusion and produces heat. The physics of fusion, the energy process that powers our sun, is well understood. How to contain and harness that energy is not. Great strides have been made in the magnetic fusion program over the past several years. But there has also been significant restructuring of this program as it has become clear that Federal expenditures for research will be increasingly scarce. As a result, progress in this program has been difficult to measure.

Congress needs to make basic decisions about the fusion program. We must develop reasonable and near-term goals against which we will be able to measure progress. And we must work more closely with the international community toward those goals. We must streamline this program so that it is clearly focused on achievement of the next major milestone in magnetic fusion—the international thermonuclear experimental reactor, also known as ITER.

The legislation I am introducing today would do just that. It would direct the Secretary of Energy to focus the Department's magnetic fusion energy program on the development of ITER with the ultimate goal of developing a fusion demonstration reactor.

Last year, the United States entered into an agreement with Japan, Russia, and the European Community to design ITER. The agreement provides for completion of the design by 1996, with the cost of design activities borne equally by the four countries. The agreement addresses only the design phase of ITER, however, and any further agreement on the siting or construction of ITER has yet to be negotiated. If a decision is made to go ahead with sitting and construction, it is anticipated that construction of ITER would take 7 years from the time of site selection.

ITER is expected to embody most of the features of a fusion powerplant. ITER is being designed to produce 1,000 megawatts of energy, which is about half of that produced by an average-sized conventional electricpower plant. The purpose of ITER is to demonstrate the scientific and technical feasibility of magnetic fusion energy and to prove that a sustained fusion reaction can be maintained at an energy level sufficient to generate electricity in commercial quantities. Today, we can produce a fusion reaction for only a second or two. ITER will also test the types of materials and components that will be needed in a fusion demonstration reactor.

Once ITER proves that a sustained fusion reaction is possible and tells us what materials will be needed for a fusion reactor, an actual demonstration fusion reactor can be built. It is my expectation that ITER will resolve these issues sufficiently so we will be able to move forward to a demonstration reactor. But I also believe that we should not continue to spend substantial amounts of money studying the engineering problems associated with fusion if we cannot reach an agreement with the international community to develop ITER or if we decide ITER will not lead to a fusion demonstration reactor.

The United States has spent billions of dollars trying to make fusion energy a practical and commercial reality. It is time to focus our efforts on demonstrating the engineering feasibility of fusion through our participation in ITER. And our existing programs must be restructured accordingly to support that effort. While some level of basic research in fusion would still be appropriate in the absence of ITER, it would not be appropriate to continue the level of effort of today. Therefore, the bill directs the Secretary to reduce the magnetic fusion energy program to a basic energy program in the event it becomes apparent that we cannot or should not proceed with ITER.

We are at a critical juncture for the magnetic fusion program. It is time for the United States to make a commitment to ITER and to work with the international community to complete this project. The Secretary of Energy must be given authority to negotiate with the other countries involved in the ITER project. The bill provides the Secretary with such authority.

To develop ITER we need to plan to tell us how to get there. The bill would direct the Secretary to develop such a plan identifying the budget, critical path, milestones, and schedules for ITER. While other countries such as Japan have already selected a candidate host site for ITER, the United States has yet to begin a candidate selection process. If we want to compete to host ITER here in the United States, we need to start that process today. With the international community, we will also need to select a final host site as soon as possible so that construction can begin when the design is complete. To get this process moving along, the bill requires the Secretary to find a candidate host site within the United States for ITER and to identify the steps necessary for section of a final host site by the international community.

ITER will tell us whether fusion is the energy of the 21st century. The ITER design effort is well underway, and I am pleased that the United States is an active participant in that effort. But we must also be ready to take the next step to see this project to fruition. We are at a point that our magnetic fusion program must be focused entirely on ITER, and we must develop a plan to tell us how to get there. We should find a host site, be it here in the United States or abroad, so we can begin construction of ITER. The bill I am introducing today will commit the United States to such a process.

Mr. President, I ask unanimous consent that the text of the bill appear in the CONGRESSIONAL RECORD following my statement.

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

S. 646

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Fusion Energy Act of 1993".

SEC. 2. FINDINGS, PURPOSES AND DEFINITIONS.

(a) FINDINGS.—Congress finds that—

(1) fusion energy has the potential to be safe, environmentally attractive, secure and economically affordable source of energy;

(2) the United States Department of Energy's magnetic fusion energy program has made significant progress toward realizing fusion as a viable source of energy;

(3) other industrial nations have also invested in significant magnetic fusion energy programs;

(4) an integrated program of international collaboration will be necessary for continued progress to demonstrate the scientific and technological feasibility of magnetic fusion energy;

(5) there is international agreement to proceed with the engineering and design of the International Thermonuclear Experimental Reactor to prove the scientific and technical feasibility of fusion energy and to lead to a demonstration reactor;

(6) the United States should focus the Department of Energy's magnetic fusion energy program on the design, construction and operation of the International Thermonuclear Experimental Reactor;

(7) the continuation of an aggressive fusion energy program requires the Department of Energy, industry, utilities, and the international fusion community to commit to the International Thermonuclear Experimental Reactor as soon as practicable; and

(8) an effective U.S. fusion energy program requires substantial involvement by industry and utilities in the design, construction, and operation of fusion facilities.

(b) PURPOSES.—The purposes of this Act are to—

(1) redirect and refocus the Department's magnetic fusion energy program in a way that will lead to the design, construction and operation of the International Thermonuclear Experimental Reactor by 2005, in cooperation with other countries, and operation of a fusion demonstration reactor by 2025;

(2) develop a plan identifying the budget, critical path, milestones and schedules for the International Thermonuclear Experimental Reactor;

(3) eliminate from the Department of Energy's magnetic fusion energy program those elements that do not directly support the development of the International Thermonuclear Experimental Reactor or the development of a fusion demonstration reactor; and

(4) select a candidate host site within the United States for the International Thermonuclear Experimental Reactor and to identify the steps necessary to lead to the selection of the final host site by the international community.

(c) DEFINITIONS.

(1) "Department" means the United States Department of Energy;

(2) "ITER" means the International Thermonuclear Experimental Reactor; and

(3) "Secretary" means the Secretary of the United States Department of Energy.

SEC. 3. INTERNATIONAL FUSION ENERGY PROGRAM.

(a) PROGRAM.—The Secretary shall redirect and refocus the Department's magnetic fusion program in a way that will lead to the design, construction and operation of ITER by 2005 and operation of a fusion demonstration reactor by 2025. The Department's magnetic fusion program shall be referred to as the ITER program and shall be carried out in cooperation with the international community.

(b) REQUIREMENTS.—In developing the ITER program, the Secretary shall—

(1) establish as the main focus of the Department's magnetic fusion energy program the development of ITER;

(2) provide for the development of fusion materials and other reactor components to the extent necessary for the development of a fusion demonstration reactor;

(3) eliminate those components of the magnetic fusion energy program not contributing directly to development of ITER or to the development of a fusion demonstration reactor;

(4) select a candidate host site within the United States for the International Thermonuclear Experimental Reactor;

(5) negotiate with other countries involved in ITER to select a final host site for ITER and to agree to construct ITER as soon as practicable;

(6) provide for substantial U.S. industry and utility involvement in the design, construction and operation of ITER to ensure U.S. industry and utility expertise in the technologies developed; and

(7) provide for reducing the level of effort in the ITER program to the levels prescribed in section 4(b)(2) in the event the ITER program is terminated in accordance with subsection (g).

(c) MANAGEMENT PLAN.—(1) Within 180 days of the date of enactment of this Act, the Secretary shall prepare and implement a management plan for the ITER program. The plan shall be revised and updated biannually.

(2) The plan shall—

(A) establish the goals of the ITER program;

(B) describe how each component of the Department's ITER program contributes directly to the development of ITER or development of a fusion demonstration reactor;

(C) set priorities for the elements of the Department's ITER program, identifying those elements that contribute directly to the development of ITER or to the development of a fusion demonstration reactor;

(D) provide for the elimination of those elements of the magnetic fusion energy program not contributing directly to the development of ITER, or to the development of fusion materials or other reactor components that are necessary for the development of a fusion demonstration reactor;

(E) describe the selection process for a proposed host site within the United States for ITER;

(F) establish the necessary steps that will lead to the final selection of the host site for ITER by the countries involved in the ITER program by the end of 1995;

(G) establish the necessary steps that will lead to the design, construction and operation of ITER by 2005 and operation of a fusion demonstration reactor by 2025;

(H) establish a schedule and critical path, including milestones, and a budget that will allow for the design, construction and operation of ITER by 2005 and operation of a demonstration fusion reactor by 2025;

(I) provide mechanisms for ensuring substantial industry and utility involvement in the design, construction and operation of ITER;

(J) set forth any recommendations of the Secretary on—

(i) the need for additional legislation regarding the ITER program; or

(ii) the possibility and desirability of accelerating the design and construction of ITER or the development of a fusion demonstration reactor; and

(K) provide for reducing the level of effort in magnetic fusion to the levels prescribed in section 4(b)(2) in the event the ITER program is terminated in accordance with subsection (g).

(d) INTERNATIONAL AGREEMENTS.—(1) The Secretary may negotiate or enter into agreements with any country governing the design, construction and operation of ITER or facilities related to ITER.

(2) The Secretary shall seek to enter into agreements with other countries to share in the cost of the facilities and components of the ITER program that contribute to the design, construction or operation of ITER or to the development of a fusion demonstration reactor.

(e) REPORT ON ITER NEGOTIATIONS.—The Secretary shall submit an annual report to the Congress on the status of negotiations with other countries regarding ITER. The report shall—

(1) identify the issues to be negotiated with other countries involved in the ITER program;

(2) identify impediments to reaching agreement on a host site for ITER, or on issues relating to the construction or operation of ITER;

(3) identify the steps needed to reach agreement on a host site for ITER or on issues related to the construction or operation of ITER;

(4) establish the timetable for agreement related to the siting, operation and construction of ITER;

(5) assess the likelihood of reaching agreement on a host site for ITER and on issues related to the construction or operation of ITER; and

(6) set forth the Secretary's recommendation on whether a special negotiator should be appointed to carry out negotiations on behalf of the United States with the countries involved in the ITER program.

(f) CERTIFICATION.—Prior to seeking funds for construction of ITER, the Secretary shall certify to the Congress that there is agreement in place or there is a substantial likelihood agreement will be reached with the countries involved in ITER on the siting, construction and operation of ITER.

(g) TERMINATION.—(1) The Secretary shall report to Congress if the Secretary determines that—

(A) ITER is no longer essential to the development of a fusion demonstration reactor;

(B) no agreement can be reached on the final host site for ITER;

(C) no agreement can be reached on the final design of ITER or on issues related to construction of ITER; or

(D) there is an insufficient commitment to the final ITER design by U.S. industry and utilities.

(2) Within 30 days of submission of the report under paragraph (1), the Secretary shall initiate the termination of the ITER program.

(3) In the event the Secretary terminates the ITER program, the Secretary may continue to carry out research in magnetic fusion, but only at the levels authorized in section 4(b)(2).

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) LIMITATION ON APPROPRIATIONS.—No more funds may be appropriated to carry out the purposes of this Act than the amounts set forth in subsection (b). This Act shall be the exclusive source of authorization of appropriations to support any activities of the Secretary relating to magnetic fusion energy.

(b) APPROPRIATIONS.—(1) There is authorized to be appropriated to the Secretary for carrying out the purposes of this Act $350,000,000 for fiscal year 1994, $390,000,000 for fiscal year 1995, $475,000,000 for fiscal year 1996, and such sums as may be necessary thereafter.

(2) In the event the Secretary terminates the ITER program, there is authorized to be appropriated to the Secretary $50,000,000 for 1994, $50,000,000 for 1995 and $50,000,000 for 1996 for activities relating to magnetic fusion energy.

By Mr. WARNER (for himself and Mr. DECONCINI):

S. 647. A bill to assist in the effective management of the civilian work force of the Central Intelligence Agency, and for other purposes; to the Select Committee on Intelligence.

CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION INCENTIVE ACT

Mr. WARNER. Mr. President, today I am introducing the Central Intelligence Agency Voluntary Separation Incentive Act (S. 647). The legislation will provide some protection to CIA careerists as the CIA draws down its personnel levels in the coming months and years. It authorizes the Director of Central Intelligence to offer financial incentives to CIA personnel to resign or retire voluntarily—that is, on their own initiative. By offering financial incentives for voluntary departures, CIA expects to be able to minimize or eliminate altogether a need for CIA to involuntarily dismiss employees.

The legislation will accomplish four important objectives.

First, it will assist the CIA in managing its drawdown so that the resulting work force has the right mix of skills and experience to conduct CIA's mission effectively in the future.

Second, the bill will help ensure fair treatment of CIA personnel. CIA employees—and in particular those with clandestine duties—have served their country with distinction, often at great personal sacrifice and sacrifice by their families. The CIA must keep faith with them, especially if we are to continue to get people of the same high quality and dedication to serve in the CIA in the future.

Third, the legislation will save taxpayers' dollars. By offering now a financial incentive to an employee to leave CIA service voluntarily, CIA will not incur greater costs in the outyears.

Finally, the legislation will contribute to maintaining the proper secrecy of U.S. intelligence activities.

Federal law already grants the Secretary of Defense authority to provide similar incentives for voluntary separation to Department of Defense employees, to assist in downsizing that department. Thus, intelligence personnel employed by the Department of Defense already are covered by a voluntary separation incentive statute. Enactment of the bill I am introducing today will provide similar authority for voluntary separation incentives for CIA employees.

Senator DECONCINI, who chairs the Select Committee on Intelligence on which I serve as vice chairman, has cosponsored this important legislation to assist CIA employees. With bipartisan support for the legislation, I hope that the Congress can enact it promptly.

The legislation is essential to enable us to protect the interests of CIA employees as CIA carries out the planned prudent reductions in the size of its work force.

Mr. President, I ask unanimous consent that the section-by-section explanation of the legislation be printed in the RECORD at this point.

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

SECTION-BY-SECTION EXPLANATION

The Central Intelligence Agency Voluntary Separation Incentive Act will assist the Director of Central Intelligence in managing effectively the reduction of the Central Intelligence Agency (CIA) civilian work force and help ensure fair treatment of CIA personnel as that reduction is accomplished. The legislation will allow the Central Intelligence Agency to offer limited financial incentives to CIA employees to volunteer to resign or retire, thereby minimizing the need for involuntary separations (i.e., layoffs) of CIA personnel. With the normal attrition of employees over time and with the voluntary separations of employees induced by the financial incentive this legislation would authorize, the CIA will be able to eliminate or minimize involuntary separations of CIA personnel in carrying out the planned drawdown of CIA personnel. Congress has already enacted similar legislation for military personnel (10 U.S.C. 1175) and for Department of Defense civilian employees, including DOD civilian intelligence employees (5 U.S.C. 5597).

The legislation will accomplish four objectives:

Assist the CIA in *managing the CIA personnel drawdown effectively*, so that the resulting smaller CIA work force can accomplish the CIA's intelligence mission effectively;

Ensure fair treatment for CIA personnel during the drawdown, and in particular the personnel of the clandestine services, who have performed extraordinary services for the nation entailing personal sacrifice;

Save tarpayers' dollars, by offering a limited financial incentive to employees to leave CIA service voluntarily, which will avoid the cost of the employees' future salary and benefits; and

Assist in *maintaining proper secrecy* of U.S. intelligence sources, methods and activities, by ensuring that CIA personnel who depart have done so voluntarily, in good morale, and with an orientation toward fully protecting national secrets in accordance with their legal obligations.

The bill consists of two sections. Section 1 entitles the bill the "Central Intelligence Agency Voluntary Separation Incentive Act." Section 2 of the bill authorizes the Director of Central Intelligence (the "Director") to establish a program of financial incentives to encourage the voluntary resignation or retirement of CIA employees. Section 2 consists of subsections 2(a) through 2(i).

Subsection 2(a) authorizes the Director, in his discretion, to establish a program under which the Director may pay a financial incentive to eligible CIA employees to encourage them to volunteer to resign or retire. The commitment of the authority to agency discretion is intended to make clear that the exercise of the authority under this legislation is not subject to judicial review (see for example 5 U.S.C. 701(a)).

Subsection 2(b) describes the CIA employees who would be eligible to receive the financial incentive in exchange for their volunteering to leave CIA service.

Paragraph 2(b)(1) provides that an employee must be serving under an appointment without a time limitation. Thus, an employee serving under a temporary appointment of specified duration, such as an employee hired for a summer job or an employee appointed for a two-year period to accomplish a specific task, would not qualify for the voluntary separation incentive program.

Paragraph 2(b)(2) requires that an employee have served the Central Intelligence Agency for not less than 12 months to qualify for the voluntary separation incentive program.

Paragraph 2(b)(3) authorizes the Director to establish additional requirements for an employee to qualify for the voluntary incentive awards program. The Director could, for example, determine that the CIA has an excess of personnel trained in particular skills, occupations, or foreign language capabilities and provide the voluntary separation incentives only to an appropriate number of individuals with those skills, occupations, or foreign language capabilities. This authority will assist the Director in ensuring that, at the end of the planned drawdown of the CIA's work force, the work force will have the correct mix of skills and experience needed to carry out the CIA's mission effectively.

Paragraph 2(b)(4) excludes rehired Federal annuitants from the voluntary separation incentive program. Such annuitants are currently excluded by law from the similar DOD program (5 U.S.C. 5597).

Paragraph 2(b)(5) excludes Federal disability retirement eligible employees from the voluntary separation incentive program. Such employees are currently excluded by law from the similar DOD program (5 U.S.C. 5597).